

**UMBRELLA
UNICOVER COVERAGE PART 980**

This Coverage Part applies only when it is shown in the declarations. Such insurance applies only to those insureds, security interests and locations designated for each coverage as identified in declarations item 2 by letter(s) or number.

The General Conditions apply except as amended or replaced in this Coverage Part.

INSURING AGREEMENT - WE will pay for LOSS, subject to the terms and conditions of this Coverage Part, in excess of:

- (a) coverage provided in any UNDERLYING INSURANCE;
- (b) coverage provided to an INSURED in any other insurance;
- (c) in the absence of (a) or (b) the retention shown in the declarations.

WE have the right and duty to defend any SUIT for LOSS not covered by other insurance, but WE have no right or duty to defend SUITS for LOSS not covered by this Coverage Part. WE may investigate and settle any claim or SUIT WE consider appropriate.

WE also have the right to defend any SUIT for LOSS covered by other insurance.

OUR payment of the limit shown in the declarations ends OUR duty to defend.

DEFINITIONS - When used in this Coverage Part:

"AUTO" means a land motor vehicle, trailer or semi-trailer, designed for travel on public roads and includes permanently attached equipment. AUTO does not include MOBILE EQUIPMENT.

"CONTRACTORS" means construction operations for YOU by any contractor at the PREMISES. This definition does not apply to GARAGE OPERATIONS.

"COVERED POLLUTION DAMAGES" means those POLLUTION DAMAGES not otherwise excluded which occur away from premises owned or operated by YOU, arising from:

- (1) YOUR PRODUCT or WORK;
- (2) POLLUTANTS while being transported on a covered AUTO or MOBILE EQUIPMENT by YOU;
- (3) fuel or lubricants, fluids, exhaust gases or other similar POLLUTANTS needed for or resulting from the normal electrical, hydraulic or mechanical functioning of the covered AUTO or MOBILE EQUIPMENT or their parts, if the POLLUTANTS escape or are discharged or released directly from a vehicle part designed by the manufacturer to hold, store, receive or dispose of such POLLUTANTS;
- (4) POLLUTANTS, not in or upon a covered AUTO or MOBILE EQUIPMENT, that are upset, overturned or damaged as a result of the maintenance or use of a covered AUTO or MOBILE EQUIPMENT and are the direct result of such upset, overturn or damage.

"CUSTOMER COMPLAINT DEFENSE" means any SUIT filed against YOU during the Coverage Part period by or on behalf of a customer arising out of the sale, lease, rental, service or repair of YOUR PRODUCT, other than as a direct result of an OCCURRENCE or as defined in STATUTE AND TITLE E&O.

"CUSTOMER'S AUTOS" means an AUTO or MOBILE EQUIPMENT not owned or acquired by YOU but in YOUR care, custody, or control for safekeeping, storage, service, or repair.

"DAMAGES" means amounts awardable by a court of law. With respect to part 6 of the definition of INJURY, DAMAGES also means amounts awardable by administrative agencies. DAMAGES does not mean civil penalties, fines or assessments.

"DISCRIMINATION" means violation of any statute prohibiting unequal treatment of protected classes, including reverse discrimination, and harassment arising therefrom.

"EMPLOYMENT RELATED DEFENSE" means any SUIT filed against YOU during the Coverage Part period by or on behalf of an employee arising out of YOUR employment practices, including wrongful termination, other than as a result of an OCCURRENCE or as would be covered by a Workers Compensation or Employers Liability policy.

"GARAGE OPERATIONS" means the ownership, maintenance, or use of that portion of any premises where YOU conduct YOUR garage business, and all other operations necessary or incidental thereto.

"HAULAWAY" means a conveyance designed solely for use in transporting four or more four-wheeled motor vehicles.

"INJURY" means:

- (1) bodily injury, sickness, disease, or disability (including death resulting from any of these) or damage to or loss of use of tangible property;
- (2) mental anguish, mental injury, fright, shock, or humiliation, except when arising from DISCRIMINATION;
- (3) false arrest, false imprisonment, wrongful eviction, wrongful detention, malicious prosecution, abuse of process, libel, slander, defamation of character, private nuisance (except pollution), invasion of rights of privacy or possession of personal property;
- (4) plagiarism, misappropriation of advertising ideas or style, infringement of copyright, title, slogan or trademark;

INJURY will also mean, if insurance is afforded in the UNDERLYING INSURANCE for:

- (5) any error or omission in the administration of YOUR profit sharing, pension, or employee stock subscription plans or

YOUR group life, group hospitalization, or major medical, group accident and health, Workers' Compensation, unemployment, social security, or disability benefits insurance. "Administration" means (a) interpreting for or giving counsel to employees, (b) handling records, and (c) effecting enrollment, termination or cancellation of employees, all under YOUR employee benefits programs when such acts are authorized by YOU;

(6) DISCRIMINATION.

"INSURED CONTRACT" means any of the following, if such contract or agreement is executed prior to the OCCURRENCE:

- (1) a lease of premises, elevator maintenance agreement, sidetrack agreement;
- (2) a license agreement in connection with vehicle or pedestrian private crossings at grade, any easement agreement except in connection with construction or demolition operations within 50 feet of a railroad;
- (3) an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- (4) that part of any contract or agreement by YOU, YOUR partners, executive officers, stockholders, directors, or employees pertaining to the rental or lease of AUTOS to them for use in YOUR business. This does not apply to damage to such AUTO;
- (5) any written contract or agreement in which YOU agree to indemnify or hold harmless any manufacturer, distributor or importer of AUTOS, MOBILE EQUIPMENT or watercraft with respect to YOUR use, repair, or servicing of AUTOS, MOBILE EQUIPMENT or watercraft;
- (6) that part of any other contract or agreement pertaining to YOUR business (including an indemnification of a municipality in connection with WORK performed for a municipality) under which YOU assume the tort liability of another. However, this does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for INJURY arising out of:

- (a) preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- (b) giving directions or instructions, or failing to give them, if that is the primary cause of the INJURY.

"LOSS" means all sums the INSURED legally must pay as DAMAGES because of INJURY to which this insurance applies caused by an OCCURRENCE. "LOSS" also means all sums the insured must pay as COVERED POLLUTION DAMAGES to which this insurance applies caused by an OCCURRENCE.

"MOBILE EQUIPMENT" means vehicles designed for use principally off public roads, those not required to be licensed, and AUTOS used solely on YOUR premises. It includes, but is not limited to, bulldozers, power shovels, rollers, graders, scrapers, and any other road construction or repair equipment, farm machinery, cranes, forklifts, pumps, generators, air compressors, drills, street sweepers, riggers, or vehicles used to provide mobility for any of these when permanently attached to the equipment.

"OCCURRENCE" with respect to parts 1 and 2 of the definition of INJURY and to COVERED POLLUTION DAMAGES, means an accident, including continuous or repeated exposure to conditions, which results in such INJURY or COVERED POLLUTION DAMAGES during the Coverage Part period neither intended nor expected from the standpoint of a reasonably prudent person.

With respect to parts 3, 4, 5 and 6 of the definition of INJURY, OCCURRENCE means acts of the INSURED during the Coverage Part period which result in such INJURY.

All INJURY or COVERED POLLUTION DAMAGES arising out of continuous or repeated exposure to substantially the same general conditions will be considered as arising out of one OCCURRENCE.

"POLLUTANTS" means any solid, liquid, gaseous or thermal irritant or contaminant includ-

ing (but not limited to) smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. "Waste" includes (but is not limited to) materials to be recycled, reconditioned, or reclaimed.

"POLLUTION DAMAGES" means any cost or expense arising out of a request, demand, order, claim or SUIT by or on behalf of a governmental authority demanding that the INSURED test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of POLLUTANTS.

"PREMISES" means the ownership, maintenance, or use of any premises where YOU conduct YOUR business and all operations necessary or incidental thereto, except the PRODUCT COMPLETED OPERATIONS hazard. This definition does not apply to GARAGE OPERATIONS.

"PRODUCTS" means the goods or products YOU make, sell, service, or repair. It includes any container for the goods or products (other than a vehicle), but does not include a vending machine or any property (other than a container) rented or located for use of others but not sold.

"PRODUCTS - COMPLETED OPERATIONS" means INJURY occurring away from the premises YOU own or rent and resulting from YOUR WORK or YOUR PRODUCT, representations or warranties made with respect to fitness, durability, performance or use of YOUR WORK or YOUR PRODUCT, and providing or failure to provide warning or instructions for YOUR PRODUCT or YOUR WORK. This does not apply if:

- (1) the PRODUCT is still in YOUR physical possession;
- (2) the WORK has not been completed or has been abandoned.

YOUR WORK will be deemed completed at the earliest of the following:

- (a) when YOU have completely fulfilled a contract specifying the WORK;
- (b) when all WORK to be performed by YOU at a specific site have been completed;
- (c) when the portion of the WORK out of which the INJURY arises has been put to

its intended use by any one other than a contractor or subcontractor working on the same project.

WORK requiring service, maintenance, or corrective work, repair, or replacement because of a defect, but which are otherwise completed are deemed completed.

COMPLETED OPERATIONS does not include INJURY caused by:

- (a) the transportation of property, unless caused by the loading or unloading of a vehicle;
- (b) the existence of tools, uninstalled equipment or abandoned or unused materials.

"STATUTE AND TITLE E&O" means any claim or SUIT filed against YOU, other than as a result of an OCCURRENCE or CUSTOMER COMPLAINT DEFENSE, by or on behalf of:

- (a) a customer arising out of GARAGE OPERATIONS, because of an alleged violation during the Coverage Part Period, of any federal, state or local:

- (1) odometer law,
- (2) truth-in-lending or truth-in-leasing law,
- (3) auto damage disclosure law,
- (4) competitive auto parts law, or
- (5) used car "Buyers Guide", including federal regulation 455;

- (b) any person or organization who has suffered a financial loss due to the failure of YOUR employee, to properly specify during the Coverage Part period, the name of the security interest or "legal owner" on auto title papers.

"SUIT" means a civil action for DAMAGES, including arbitration or mediation to which the INSURED must submit or submits with OUR consent. A class action is one SUIT. SUIT does not mean administrative actions (except under part 6 of the definition of INJURY) or equitable actions.

"UNDERLYING INSURANCE" means the coverage and limits of liability afforded to YOU by the

underlying policy(s) or insurance scheduled in the declarations for this Coverage Part. UNDERLYING INSURANCE does not include any insurance afforded by the Supplemental Limits portion of Coverage Part 330.

"WORK" means work or operations YOU perform or someone else performed for YOU, and includes materials, parts, or equipment furnished with such work or operations.

WHO IS AN INSURED - Except with respect to the ownership, maintenance, use, loading, or unloading of any AUTO or watercraft:

- (a) YOU (and YOUR spouse if YOU are a sole proprietor); if YOU are a sole proprietor, coverage applies only to YOUR business activities as covered by the UNDERLYING INSURANCE;
- (b) any of YOUR partners and their spouses, paid employees, directors, executive officers, or stockholders, while acting within the scope of their duties as such;
- (c) any other person or organization named in the UNDERLYING INSURANCE (provided to the Named Insured of this Coverage Part) but not for broader coverage than provided to those persons or organizations in the UNDERLYING INSURANCE.

With respect to any AUTO or watercraft:

- (a) YOU;

With respect to (1) any AUTO or watercraft used in YOUR business or (2) personal use of any AUTO owned or hired by YOU:

- (a) any person or organization shown in the declarations for this Coverage Part as a "Designated Person".

With respect to coverage afforded in the UNDERLYING INSURANCE by Endorsement No. 034 - DRIVE OTHER AUTOS or Endorsement No. 056 - BROAD FORM DRIVE OTHER AUTOS:

- (a) the person (and their "family members") shown in the declarations for this Coverage Part as a "Designated Person". "Family members" means any person related to the Designated Person by marriage, blood or adoption, who is a resident of his or her household. Family member includes a ward or foster child.

WHO IS NOT AN INSURED - Any partnership or joint venture unless the partnership or joint venture is shown in the declarations as a Named Insured. This does not apply to any joint venture, of which YOU are a part, with respect to any coverage afforded YOU by part (4) of the definition of INJURY.

With respect to the ownership, maintenance, use, loading or unloading of any AUTO, any INSURED (except YOU) with respect to an AUTO owned by them.

EXCLUSIONS - This insurance does not apply to:

- (a) INJURY or COVERED POLLUTION DAMAGES if caused by any dishonest, fraudulent or criminal acts committed by any INSURED;
- (b) any act committed by or at the direction of the INSURED with intent to cause harm. This exclusion does not apply if INJURY arises solely from the intentional use of reasonable force for the purpose of protecting persons or property;
- (c) INJURY as defined in parts 1 and 2 of the definition of INJURY to any employee of the INSURED arising out of and in the course of their employment by or on behalf of the INSURED:
 - (1) for which the INSURED may be held liable as an employer or in any other capacity;
 - (2) any obligation of the INSURED to indemnify or contribute with another because of such INJURY;
 - (3) to any INJURY sustained by any relative of the employee as a consequence of the INJURY to the employee.

This exclusion does not apply:

- (i) under Part (1) to domestic employees of the INSURED not entitled to Workers' Compensation benefits;
 - (ii) under Part (2), to any contract excepted in exclusion (d);
 - (iii) to damage to or loss of use of tangible property owned by such employee;
 - (iv) to any Employers Liability coverage shown as UNDERLYING INSURANCE;
 - (v) to INJURY, as defined in part (1) of the definition, to any of YOUR employees with respect to any claim made or SUIT filed against them by another of YOUR employees because of an OCCURRENCE arising out of and in the course of their employment by YOU;
 - (d) liability assumed under any contract or agreement. This exclusion does not apply to an INSURED CONTRACT under:
 - (i) parts (1), (2) and (3) of the definition of INJURY;
 - (ii) parts (4), (5) or (6) with respect to YOUR negligent acts;
 but in any event for no more coverage than is afforded the INSURED;
 - (e) any claim made or SUIT arising out of any manufacturer's warranty, extended warranty, extended service agreement, or mechanical breakdown agreement;
 - (f) INJURY or COVERED POLLUTION DAMAGES arising out of the ownership, maintenance, repair, use, loading or unloading of any aircraft, or arising out of the manufacture, storage, sale, handling, or distribution of aircraft, aircraft engines, or aircraft parts.
- This exclusion does not apply to any Employers Liability coverage shown as UNDERLYING INSURANCE;
- (g) INJURY or POLLUTION DAMAGES arising out of the actual, alleged, or threatened discharge, dispersal, release, migration, seepage or escape of POLLUTANTS:

(1) that are or that are contained in any property that is:

- (i) being moved from the place where such property or POLLUTANTS are accepted by the INSURED for movement into or onto the covered AUTO or MOBILE EQUIPMENT;
- (ii) being moved from the covered AUTO or MOBILE EQUIPMENT to the place where such property or POLLUTANTS are finally delivered, disposed of or abandoned by the INSURED;
- (iii) being transported or towed by the covered AUTO or MOBILE EQUIPMENT;
- (iv) otherwise in the course of transit;
- (v) being stored, disposed of, treated or processed in or upon the covered AUTO or MOBILE EQUIPMENT:

Parts (1), (i)(ii) and (iii) apply only to POLLUTANTS or POLLUTANTS contained in property, being transported or towed by, handled for movement into, onto or from an AUTO or MOBILE EQUIPMENT by others for YOU;

- (2) at or from premises owned, rented or occupied by an INSURED;
- (3) at or from any site or location used by or for any INSURED or others for the handling, storage, disposal, processing or treatment of waste;
- (4) at or from any site or location on which any INSURED or any contractors or subcontractors working directly or indirectly on an INSURED'S behalf are performing operations:
 - (i) to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the POLLUTANTS;
 - (ii) if the POLLUTANTS are brought on or to the site in connection with such operations;
- (5) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any

INSURED or any person or organization for whom the INSURED may be legally responsible.

This exclusion does not apply to INJURY caused by heat, smoke or fumes from a hostile fire. A "hostile fire" is one that becomes uncontrollable or breaks out from where it was intended to be.

Paragraphs (1)(v) and (2) through (5) do not apply to fuels, lubricants, fluids, exhaust gases or other similar POLLUTANTS that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered AUTO or MOBILE EQUIPMENT or their parts, if the POLLUTANTS escape or are discharged, dispersed or released directly from a vehicle part designed by its manufacturer to hold, store, receive or dispose of such POLLUTANTS.

Paragraph (2) does not apply to airborne paint overspray.

Paragraphs (2) through (5) do not apply to POLLUTANTS not in or upon the covered AUTO or MOBILE EQUIPMENT if:

- 1. the POLLUTANTS or any property in which the POLLUTANTS are contained are upset, overturned or damaged as a result of the maintenance or use of the covered AUTO or MOBILE EQUIPMENT,
 - 2. the discharge, dispersal, release or escape of the POLLUTANTS is caused directly by such upset, overturn or damage, and
 - 3. the INJURY is not otherwise excluded under Paragraph (1) of this exclusion;
- (h) INJURY or COVERED POLLUTION DAMAGES arising out of YOUR business of serving, manufacturing, distributing, or selling of alcoholic beverages;
 - (i) INJURY or COVERED POLLUTION DAMAGES arising out of the ownership, use, loading or unloading of any:

(1) AUTO or MOBILE EQUIPMENT while:

- (i) being used as a HAULAWAY;
- (ii) operated in, or in practice or preparation for any prearranged or organized race, rally, speed, demolition, or competitive contest, or stunting activity;
- (iii) leased or rented to others;
- (iv) being used as a taxicab, bus, public livery, emergency ambulance, public freight carrier, or carrying property for a charge;
- (v) being used to transport explosives, gasoline, liquefied petroleum gas, or other volatile petroleum products.

Exclusion (iv) and (v) do not apply when the excluded class or operation constitutes a minor and incidental part of YOUR business operations;

(2) watercraft:

- (i) over 35 feet in length;
- (ii) when used for non-business purposes by any INSURED, regardless of length;
- (iii) when rented or leased to others;
- (iv) while afloat over fifty nautical miles from the coastal shoreline of the 48 contiguous United States, the District of Columbia, or Canada;
- (v) operated in, or in preparation for, any prearranged or organized race, rally, speed, or competitive contest, or stunting activity.

This exclusion does not apply to an INSURED with such coverage in the UNDERLYING INSURANCE;

- (j) INJURY or COVERED POLLUTION DAMAGES to property owned by, rented or leased to, used by, in the care, custody or control of, or being transported by the INSURED. This exclusion does not apply, when YOU have coverage in the UNDERLYING INSURANCE, to INJURY:
 - (1) to real or personal property (other than AUTOS) not owned by YOU;
 - (2) to CUSTOMER'S AUTOS;
 - (3) for liability assumed by YOU under a written sidetrack agreement with respect to

property used by YOU or in YOUR care, custody or control;

- (k) loss of use of property not physically damaged, if caused by:

- (1) YOUR delay or failure in performing any agreement or contract;
- (2) the failure of YOUR PRODUCT or YOUR WORK to meet the quality warranted or the level of performance represented;

- (l) INJURY or COVERED POLLUTION DAMAGES claimed because of the recall of YOUR PRODUCTS or YOUR WORK, or other property of which they form a part, due to a known or suspected defect or deficiency they contain;

- (m) parts 3 and 4 of the definition of INJURY, if the first injurious offense was committed prior to the Coverage Part period;

- (n) INJURY, as defined in part (5) of the definition of INJURY, if caused by:

- (1) failure of performance by any insurer or self insurer;
- (2) an INSURED'S failure to comply with any Workers' Compensation, unemployment insurance, Social Security, or disability benefits law or similar laws;
- (3) failure of investments or assets to perform as represented by an INSURED;
- (4) advice given by an INSURED to an employee to participate or not to participate in stock subscription plans;
- (5) failure of any Employee Benefits program, for any reason;
- (6) the investment or non-investment of funds;
- (7) violation of the duties, obligations or responsibilities imposed by the Employee Retirement Income Security Act of 1974, its amendments, or any similar local state or federal law. This exclusion also applies to all remedies under the Consolidated Omnibus Budget Reconciliation Act (COBRA) except to benefits due an employee prescribed by the act;

- (o) INJURY or COVERED POLLUTION DAMAGES arising out of an INSURED'S activities as an insurance agent, broker, or consultant;
- (p) radioactive contamination or the explosion or malfunction of a nuclear weapon, device or facility, or their consequences;
- (q) INJURY or COVERED POLLUTION DAMAGES arising out of CONTRACTORS, PREMISES, or PRODUCTS - COMPLETED OPERATIONS hazard. This exclusion does not apply to an INSURED who has coverage for such hazard in the UNDERLYING INSURANCE or under the NEWLY ACQUIRED ORGANIZATIONS EXTENSION;
- (r) punitive DAMAGES awarded against an INSURED, unless insurable by law and covered by the UNDERLYING INSURANCE;
- (s) EMPLOYMENT RELATED DEFENSE, STATUTE AND TITLE E&O or CUSTOMER COMPLAINT DEFENSE;
- (t) any INJURY recoverable under automobile no-fault or personal injury protection, Uninsured Motorists or Underinsured Motorists Coverages.

THE MOST WE WILL PAY - Regardless of the number of INSURED'S, AUTOS, MOBILE EQUIPMENT or watercraft insured or premiums charged by this Coverage Part, persons or organizations who sustain INJURY or COVERED POLLUTION DAMAGES, claims made or SUITS brought, the most WE will pay is the least of the following:

- (a) when there is no coverage for a LOSS available to the INSURED in the UNDERLYING INSURANCE or any other insurance, WE will pay the difference between OUR limit and the retention which are both shown in the declarations;
- (b) when coverage for a LOSS is available to the INSURED in the UNDERLYING INSURANCE only, WE will pay OUR limit in excess of such UNDERLYING INSURANCE;

- (c) when there is no coverage for a LOSS available to the INSURED in the UNDERLYING INSURANCE but there is coverage available under another insurance policy (which was not purchased as excess of this policy), WE will pay OUR limit in excess of the limits of such other insurance;
- (d) when there is coverage for a LOSS available in both the UNDERLYING INSURANCE and any other insurance (which was not purchased as excess of this policy) WE will pay OUR limit shown in the declarations but only after the UNDERLYING INSURANCE and such other insurance have been exhausted;
- (e) with respect to liability assumed under a contract or agreement, the amount required by such contract or agreement, or the limit shown in the declarations, whichever is less.

MAINTENANCE OF UNDERLYING INSURANCE - This insurance will apply as if the UNDERLYING INSURANCE is in effect, even if (1) YOU have reduced such insurance or failed to keep it in effect, (2) coverage has been denied or reduced due to the INSURED'S failure to comply with the policy conditions, or (3) the underlying insurer is bankrupt or insolvent. This condition does not apply to exhaustion of an aggregate limit in the UNDERLYING INSURANCE.

WE WILL ALSO PAY - If there is no UNDERLYING INSURANCE or any other insurance available to an INSURED, and coverage is afforded by this Coverage Part (except for the INSURED'S retention) WE will pay, in addition to OUR limit:

- (a) all costs and expenses in defending an INSURED, and interest on that part of the judgment covered by this Coverage Part within OUR limits, that accrues after entry of any judgment in any SUIT WE defend, but only until WE have paid, offered to pay or deposited in court that part of the judgment that is within OUR limit;

(b) premiums on appeal bonds or bonds to release property used to secure YOUR legal obligations, in a SUIT WE defend, but only for bond amounts within OUR limits. Also, up to \$250 for the cost of bail bonds required because of an OCCURRENCE, including related traffic law violations. WE do not have to furnish or secure these bonds;

(c) all reasonable expenses the INSURED incurs at OUR request.

If any jurisdiction will not let US defend YOU, WE will pay any such expenses when WE agree, in advance, in writing.

HOW WE WILL PAY - WE have no obligation to pay for a LOSS until (1) the UNDERLYING INSURANCE carrier(s) has paid or agreed to pay its policy limits, (2) any other insurer whose policy is available to the INSURED has paid or agreed to pay its policy limits, and (3) the INSURED has paid or agreed to pay the retention or any difference between the limits stated in the UNDERLYING INSURANCE and the actual limits (if less) as stated in such policies.

INSURED'S DUTIES AFTER INJURY, COVERED POLLUTION DAMAGES, OCCURRENCE, CLAIM OR SUIT - If there is an OCCURRENCE, the INSURED is sued, or a claim is made against an INSURED:

- (1) YOU must report this to US as soon as possible. Give US all the details YOU can, including when, where and how it happened, the names and address of persons involved, injured and any witnesses;
- (2) Each INSURED must promptly send US all documents, if they are sued or if claim is made against them. If a dispute arises as to whether an INSURED mailed, or WE received, notice of claim or SUIT, only a certified mailing receipt will be proof of mailing;
- (3) Each INSURED must cooperate and assist US in the investigation, settlement, defense, enforcement of contribution of

indemnification. The INSURED may not, except at their own expense, make any offer or payment, assume any obligation or incur any expenses unless otherwise permitted in this Coverage Part.

DEFENSE AND SETTLEMENT - If there is UNDERLYING INSURANCE or other insurance available to the INSURED, WE will not assume charge of defense or settlement of any claims made or SUITS brought against the INSURED. After the UNDERLYING INSURANCE or other insurance has been exhausted by payment (or written agreement to pay) and all duties to defend have been extinguished, WE will assume charge of further defense or settlement.

WE do have the right to associate with the INSURED in defense and control of any claim or SUIT likely to involve US.

APPEALS - If the INSURED, the UNDERLYING INSURANCE carrier, or any other insurance carrier that has insurance available to the INSURED, chooses not to appeal a judgment in excess of their limits, WE may do so. WE will pay all expenses, and be liable for the costs and interest for the appeal. In no event, however, will OUR liability exceed OUR limit as stated in the declarations.

OTHER INSURANCE - Except as provided in THE MOST WE WILL PAY, the insurance afforded by this Coverage Part is excess over the amount due from any other insurance, whether collectible or not.

NON-STACKING OF LIMITS - When an INSURED has coverage for a LOSS under this Coverage Part and any other Umbrella policy issued by US, the most WE will pay is the percentage the limit under this Coverage Part bears to the total limits of all such policies, but not for more than that percentage of the highest limit of all such policies.

NEWLY ACQUIRED ORGANIZATIONS EXTENSION - The insurance afforded by this Coverage Part is extended to include as a named insured any organization acquired or formed by YOU and which YOU maintain ownership or in which the

majority interest is the same as YOU. This extension ends the earlier of 90 days from (a) the date of acquisition or formation or (b) the date YOU report the newly acquired or formed organization to US. YOU must pay any additional premiums due. This extension does not apply to any organization:

- (1) that is a joint venture;
- (2) that is an insured under any other liability or indemnity policy;

- (3) that has exhausted its limit of insurance under any other liability policy;
- (4) which is in a different business than YOU.

LIMITED WORLDWIDE LIABILITY EXTENSION -
With respect to INJURY, the POLICY TERRITORY is extended to anywhere in the world when caused by an INSURED who permanently lives in the United States of America, its possessions, or Canada but only while temporarily outside those places. This extension does not apply to watercraft.

ENDORSEMENTS APPLICABLE UNICOVER

In consideration of the premium for this policy, each of the following endorsements apply when the number of the endorsement is shown in the declarations. The endorsement applies to only the Coverage Part in which reference is made in the declarations. Unless stated otherwise in an endorsement each endorsement applies separately.

ENDORSEMENT NO. 001 LOSS PAYABLE PROVISIONS

WE will pay any covered LOSS both to YOU and the Security Interest shown in the declarations, as interest may appear. Their interest is protected, to the extent that this insurance applies, unless LOSS results from YOUR wrongful conversion, embezzlement or secretion.

WE may cancel the policy as allowed in the CANCELLATION provisions. Cancellation ends this agreement as to the interest of the Security Interest.

If WE make any such payment to the Security Interest, WE obtain their rights against any other party.

ENDORSEMENT NO. 002 FLOOR PLAN INSURANCE EXCLUDED

This insurance does not apply to any peril insured by YOUR floor plan or finance source. This exclusion does not apply to the value of improvements YOU make to the COVERED AUTO (after it is acquired by YOU) which increases its value and exceeds the amount due from such other insurance.

ENDORSEMENT NO. 003 FLOOR PLANNED AUTOS EXCLUDED

AUTOS owned or acquired by YOU are not covered when YOUR floor plan or finance source provides any physical damage insurance on those AUTOS.

ENDORSEMENT NO. 004

THIS ENDORSEMENT NO. 004 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

ENDORSEMENT NO. 005 LIMITED COLLISION COVERAGE

COVERED AUTOS are not insured for COLLISION while being driven or transported from point of purchase, sale, or distribution to point of destination if such points are more than 50 road miles apart.

ENDORSEMENT NO. 006 DRIVEAWAY COLLISION COVERAGE

When COVERED AUTOS are not insured for COLLISION, or when the LIMITED COLLISION COVERAGE Endorsement applies, WE will provide COLLISION on any AUTO when YOU request the coverage (in writing) from US. The request must state the departure and destination locations, the factory price(s), date of departure, and any other information WE may require. Coverage will:

- (a) become effective as of the postmark on the request;
- (b) apply separately to each AUTO, including the deductible(s) requested;
- (c) apply only while the AUTO is enroute by the shortest and most direct route; and
- (d) continue until the AUTO reaches its destination or 10 consecutive days after the postmark on the request, whichever occurs first.

**ENDORSEMENT NO. 007
MOBILE COMMUNICATIONS**

Exclusion (n) is amended to add:

This exclusion does not apply to any Citizen's Band radio, two-way mobile radio or telephone permanently attached to the AUTO to which this endorsement applies.

**ENDORSEMENT NO. 008
CUSTOMER'S AUTOS - LEGAL LIABILITY**

As it applies to CUSTOMER'S AUTOS, this Coverage Part is changed as follows:

The first paragraph of the INSURING AGREEMENT is changed to read:

INSURING AGREEMENT - WE will pay all sums YOU legally must pay as damages for LOSS to CUSTOMER'S AUTOS, except as excluded or as stated otherwise in the declarations.

These exclusions are added:

- (p) resulting from YOUR accepting responsibility for LOSS under any agreement;
- (q) to tapes, records, or other devices designed for use with sound reproducing equipment.

**ENDORSEMENT NO. 009
CUSTOMER'S AUTOS - EXCESS INSURANCE**

If the owner or lessee of a CUSTOMER'S AUTO has no physical damage insurance policy applicable to the LOSS, the provisions of the CUSTOMER'S AUTO - LEGAL LIABILITY endorsement do not apply, and this insurance is primary. If such a policy does exist, (whether valid or not) the provisions of the CUSTOMER'S AUTO-LEGAL LIABILITY endorsement will apply.

**ENDORSEMENT NO. 010
BROADENED COVERAGE
OTHER PROPERTY**

The definition of CUSTOMER'S AUTO is changed to read:

"CUSTOMER'S AUTO" means a COVERED AUTO not owned by YOU but in YOUR care, custody, or control for safekeeping, storage, service or repair. It also means the property of others within the CUSTOMER'S AUTO.

The following Conditions are added:

With respect to theft of property of others within the CUSTOMER'S AUTO, there must be signs of forced entry into the CUSTOMER'S AUTO or YOUR building before this insurance will apply.

WE will deduct \$500 per AUTO from LOSS to property of others within the CUSTOMER'S AUTO.

**ENDORSEMENT NO. 011
DRIVE OTHER AUTOS**

With respect to the individual named in the declarations and shown as insured by this endorsement, the following changes in this Coverage Part apply.

The definition of "COVERED AUTO" is changed to read:

"COVERED AUTO" means an AUTO not owned by the individual or FAMILY MEMBER, and not used by any of them while working in the business of selling, servicing, repairing, or parking AUTOS.

The following definition is added:

"FAMILY MEMBER" means any person related to the individual named in the declarations as insured under this endorsement, by marriage, blood or adoption, who is a resident of his or her household. FAMILY MEMBER includes a ward or foster child.

The WHO IS AN INSURED Condition is amended to read:

WHO IS AN INSURED - With respect to LOSS under this endorsement:

- (1) the individual shown in the declarations as insured, and
- (2) a FAMILY MEMBER.

Exclusion (k) does not apply.

The following EXCLUSIONS are added:

- (p) any AUTO while used as a residence or place of business;
- (q) any AUTO furnished or available for the regular use of the individual or FAMILY MEMBER.

**ENDORSEMENT NO. 012
MORTGAGE CLAUSE**

Covered LOSS will be paid to YOU and the holder of a Security Interest shown in the declarations as interest may appear. The holder's right to LOSS payment will not be affected by:

- (a) YOUR actions or inactions, or those of the BUILDING owner;
- (b) foreclosure or similar proceedings;
- (c) changes in ownership of the insured property;
- (d) exclusion (k) of the EXCLUSIONS-PROPERTY provision in Coverage Part 330.

In order for the holder to preserve its rights to LOSS payment, it must:

- (a) pay any premiums due at OUR request when YOU have failed to do so;
- (b) submit a signed sworn statement of loss within 60 days of OUR notice to them of YOUR failure to do so;
- (c) promptly notify US of any change in ownership, occupancy or a substantial change in risk when it becomes known to them;

All terms of this Coverage Part will then apply directly to the holder.

Should payment be made to the holder, that would not have been paid to YOU, their rights to recover from YOU will become OUR rights. This will not impair their rights to recover any debt from YOU over and above the LOSS payment. WE have the right to pay off the mortgage debt. When WE do, the holder must assign the mortgage over to US, and YOU must then repay US.

If WE cancel or non-renew this Coverage Part, WE will give the holder written notice of at least:

- (a) 10 days, if WE cancel for YOUR non-payment of premium;
- (b) 30 days, if WE cancel for any other reason;
- (c) 10 days, if WE elect to non-renew this policy.

**ENDORSEMENT NO. 013
AUTOMATIC INCREASE**

With respect to the BUILDING, shown in the declarations as subject to this endorsement, WE will increase the amount of insurance shown in the declarations. At the end of each three month period after the effective date of this Coverage Part, WE will increase the insured amount by the percentage shown in the declarations as applicable to this endorsement. Each increase will be that percentage of the amount insured on the effective date of the Coverage Part.

**ENDORSEMENT NO. 014
AUTOMATIC SPRINKLER**

WE gave YOU a rate credit on the insured items of property protected by an automatic sprinkler system. If the sprinkler system or water supply are under YOUR control, YOU must maintain the system and its water supply in complete working order at all times. If any changes are made in either, YOU must immediately tell US.

YOU can, however, temporarily shut off the water supply from any portion of the system, as is necessary, if there is a break, leakage, or an opening of the sprinkler heads. When YOU do, YOU must immediately tell US.

If additional rate credit was given YOU for having an approved central station sprinkler supervisory service, YOU must tell US of any change in that service.

YOUR failure to comply will result in YOUR losing the rate credit(s).

**ENDORSEMENT NO. 015
FLUCTUATING VALUE**

With respect to LOSS to the BUILDING shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

Parts (e) and (g) of THE MOST WE WILL PAY condition are replaced by:

- (e) if LOSS exceeds the limit shown in the declarations, WE will increase that limit to an amount equal to the Full Replacement Value at the time of LOSS times the Coinsurance percentage applicable, but not for more than 110% of the limit. The COINSURANCE Condition does not apply.

On each renewal effective date, WE will compute a new Full Replacement Value and a new limit for the next twelve months. WE will multiply the old Full Replacement Value times an adjustment factor furnished US by independent appraisal sources. The new limit will be the Full Replacement Value times the coinsurance percentage applicable.

This endorsement will no longer apply if YOU (1) reject the new Full Replacement Value and limit, or (2) don't tell US of any changes YOU made in the BUILDING since the last Full Replacement Value was computed, and the changes are valued at more than 10% of the limit.

**ENDORSEMENT NO. 016
REPLACEMENT COST - BUILDING**

With respect to LOSS to the BUILDING shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

Part (a) of the definition of "ACTUAL CASH VALUE" is changed to read:

(a) BUILDING, its replacement cost;

YOU may elect LOSS payment be made on a replacement cost less actual (not tax) depreciation basis rather than replacement cost. Regardless of YOUR election, the coinsurance formula will be computed on the replacement cost value. YOU have 180 days after LOSS to tell US, in writing, YOU wish to elect LOSS payment on a replacement cost basis.

This endorsement will not apply until YOU have actually repaired or replaced the BUILDING for the same occupancy and use. YOU must repair or replace the BUILDING within a reasonable time after LOSS.

**ENDORSEMENT NO. 017
GLASS EXCLUDED**

With respect to LOSS to the BUILDING shown in the declarations as subject to this endorsement, the EXCLUSIONS-PROPERTY condition is changed to add:

(m) glass. This exclusion does not apply to:

- (1) glass building blocks;
- (2) LOSS by the SPECIFIED PERILS, other than vandalism or malicious mischief;
- (3) LOSS caused by thieves, when there is visible evidence that the glass was broken by the thief to gain entrance or to exit from the BUILDING.

**ENDORSEMENT NO. 018
EQUIPMENT REDEFINED
TO INCLUDE GLASS**

With respect to CONTENTS or EQUIPMENT shown in the declarations as subject to this endorsement, the definition of EQUIPMENT is changed to include glass portions of the BUILDING.

Except as provided in this endorsement, EQUIPMENT does not include property as defined in AUTO, BUILDING, EMPLOYEE TOOLS, or STOCK.

**ENDORSEMENT NO. 019
DEMOLITION COST**

WE will pay for the cost of demolishing any undamaged portion of the BUILDING (shown in the declarations as subject to this endorsement) including clearing the site. This endorsement only applies if (1) LOSS is caused by an insured peril and (2) the cost is the result of the enforcement of any local or state ordinance or law regulating the demolition of BUILDINGS which are in effect at the time of the LOSS.

Part (1) of Exclusion (r) in the EXCLUSIONS-PERILS does not apply to this endorsement.

**ENDORSEMENT NO. 020
FIRE LIABILITY**

With respect to LOSS to a BUILDING shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

The INSURING AGREEMENT is changed to read:

INSURING AGREEMENT - WE will pay all sums YOU legally must pay for LOSS to the BUILDING (including loss of use) not owned by YOU but in YOUR care, custody, or control, if LOSS is caused by accidental fire or explosion due to YOUR negligence.

WE have the right and duty to defend any suit asking for these damages. WE may investigate and settle any claim or suit WE consider appropriate. OUR payment of the limit shown in the declarations for this BUILDING ends OUR duty to defend.

The EXCLUSIONS-PERILS condition is changed as follows:

Exclusion (f) does not apply to this endorsement.

Exclusion (w) is added:

(w) YOUR agreement to be responsible for LOSS.

The WE WILL ALSO PAY condition is replaced by:

WE WILL ALSO PAY - In addition to the limits stated in the declarations, WE will also pay:

- (a) all costs and expenses in defending YOU, and interest on any judgment that does not exceed OUR limit;
- (b) premiums on appeal bonds or bonds to release property used to secure YOUR legal obligations, in a suit WE defend, but only for bonds up to OUR limit. WE do not have to furnish or secure these bonds;
- (c) up to \$100 a day for loss of earnings (but not other income) because of attendance at hearings or trials at OUR request;
- (d) other reasonable expenses incurred at OUR request.

The HOW WE WILL PAY condition is replaced by:

The HOW WE WILL PAY - At OUR option, WE may pay YOU the amount of LOSS or OUR limit (whichever is less) either before or after claim is made. Any such payment relieves US of any further obligation of this endorsement. Payment reduces OUR liability.

Part (b) of YOUR DUTIES AFTER LOSS is changed to read:

- (b) notify US as soon as possible. Promptly send US all documents, if YOU are sued or claim is made against YOU.

**ENDORSEMENT NO. 021
COMPLETED VALUE BUILDER'S RISK**

With respect to LOSS to BUILDINGS shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

The definition of BUILDING is changed to read:

"BUILDING" means the structure described in the declarations which is in the process of being constructed. It also means:

- (1) temporary structures built or assembled on site (including, cribbing, scaffolding and construction forms), materials, equipment, and supplies used for the construction of the BUILDING, all while at the LOCATION;
- (2) foundations, whether above or below ground, including the cost of excavation, grading, backfilling or filling;
- (3) architect's fees;
- (4) builder's machinery or tools owned by YOU (or in YOUR care, custody, or control) while at the LOCATION, but only for the SPECIFIED PERILS.

Part (b) of THE MOST WE WILL PAY Condition is changed to read:

- (b) the percentage completed at the time of LOSS bears to the limit shown in the declarations, but never more than the limit.

The COINSURANCE Condition does not apply to this endorsement.

The following Condition is added:

OCCUPANCY - The BUILDING may not be occupied, except:

- (a) to install and test BUILDING machinery, unless WE agree to it by endorsement;
- (b) if the structure being constructed is an addition onto and forms a part of a BUILDING insured by this Coverage Part;
- (c) within 60 days before completion.

Parts (3) and (4) of Exclusion (j) of EXCLUSIONS-PERILS are replaced by:

- (3) workmanship or materials used in construction.

The SUPPLEMENTAL LIMITS Condition is replaced by:

SUPPLEMENTAL LIMITS - The following SUPPLEMENTAL LIMITS apply in addition to the limit shown in the declarations. YOU can use:

- (a) up to \$1000 for YOUR liability for fire department service charges assumed under a contract or agreement, or required by local ordinance. This extension applies only to the service charge, not to any liability for injury to any person or property from any cause. No deductible applies to this extension;
- (b) up to \$25,000 to pay for the expense to extract POLLUTANTS from the land or water at a LOCATION if the pollution results from a LOSS to BUILDINGS insured by this endorsement. The expenses will be paid only if they are reported to US within 180 days of the date of LOSS.

Extension (b) applies to each LOCATION separately and is the most WE will pay during each policy period. It does not apply to expenses to test for, monitor or assess the existence, concentration or effects of POLLUTANTS, except for testing performed in the process of extracting POLLUTANTS as covered in this extension.

The WAIVER OF SUBROGATION Condition is deleted.

**ENDORSEMENT NO. 022
LIMIT PER EMPLOYEE**

With respect to LOSS to EMPLOYEE TOOLS, part (g) of THE MOST WE WILL PAY Condition of this Coverage Part is changed to read:

(g) with respect to each employee, the amount shown in the declarations for "Employee Limit". The amount shown in "OUR LIMITS" column of the declarations is the aggregate limit for that LOCATION.

YOU must insure at least the "Employee Limit" for each mechanic. If YOU do not, LOSS will be reduced as follows:

- (a) WE will multiply the "Employee Limit" times the number of mechanics employed by YOU at the time of LOSS. This will determine the "proper amount" of insurance YOU should have purchased;
- (b) WE will divide the Limit for EMPLOYEE TOOLS by the "proper amount" to obtain the "recovery ratio";
- (c) WE will multiply the LOSS by the "recovery ratio" to determine the amount payable.

ENDORSEMENT NO. 023 ACCOUNTS RECEIVABLE

This Coverage Part is extended to insure LOSS to YOUR records of accounts receivable, while those records are inside of a BUILDING shown in the declarations as subject to this endorsement.

The INSURING AGREEMENT is replaced by:

INSURING AGREEMENT - WE will pay:

- (a) any amount due from YOUR customers that YOU can't collect because of LOSS;
- (b) the interest on any loan YOU must secure to offset uncollectible accounts until the LOSS is paid;
- (c) reasonable collection charges over and above YOUR normal collection costs made necessary by LOSS;
- (d) any other expense YOU reasonably incur to re-establish YOUR records after LOSS.

The EXCLUSIONS-PERILS and EXCLUSIONS-PROPERTY are replaced by:

EXCLUSIONS - WE will not pay for LOSS:

- (a) due to any dishonest, fraudulent, criminal, or intentional act committed by YOU or any of YOUR partners, executive officers, directors, or trustees or by any person or organization to whom YOU entrust the property;
- (b) due to any bookkeeping, accounting, or billing errors, or omissions;
- (c) that can only be proved to exist by an audit of YOUR records or the taking of an inventory. YOU can, however, use an audit or inventory to support a claim for LOSS which YOU have proved by other evidence;
- (d) due to alteration, falsification, concealment or destruction of records done to conceal the wrongful giving, taking, or withholding of money, securities or other property. This exclusion does not apply to LOSS in excess of the amount of the wrongful giving, taking, or withholding;
- (e) due to interruption of electrical power supply, power surge, or brown out, if the occurrence originates away from the LOCATION. This exclusion does not apply to LOSS caused by lightning;
- (f) due to radioactive contamination, nuclear radiation, nuclear reaction, or the explosion or malfunction of a nuclear weapon, device or facility, or their consequences;
- (g) due to WAR.

THE MOST WE WILL PAY Condition is replaced by:

THE MOST WE WILL PAY - The most WE will pay is LOSS as determined by the formula shown below, but never more than the limit shown in the declarations as applicable to this endorsement.

FORMULA - WE will:

- (1) determine YOUR outstanding accounts receivable at the end of the same fiscal month for the year before the LOSS;
- (2) compute the average amount of the monthly accounts receivable from the reports YOU submitted for the twelve months immediately preceding the LOSS. If YOU have not submitted twelve, WE will use the ones YOU have. If YOU have not submitted the first report, WE will use 75% of the limit;
- (3) compare this average to the average amount of YOUR accounts receivable for the same period of the year before;
- (4) increase or decrease the amount determined in (1) by the percentage calculated in (3). This will be the agreed total amount of accounts receivable outstanding on the last day in the month the LOSS occurred. WE will also give due consideration for normal fluctuations in the amount of outstanding accounts receivables during the month and to the experience of YOUR business since the last day of the last month for which YOU submitted the required report;
- (5) from the amount determined above, WE will deduct the amount of:
 - (a) uncollected accounts on which YOUR records were not lost or damaged;
 - (b) accounts YOU have re-established or collected from other records;
 - (c) probable bad debts that normally would have been uncollectible;
 - (d) unearned interest or service charges on deferred payment accounts.

If YOU have not submitted any reports in the immediately preceding twelve months, the most WE will pay is 75% of the limit shown in the declarations as applicable to this endorsement.

The HOW WE WILL PAY Condition does not apply to this endorsement. WE will pay YOU within 30 days after YOU have proved YOUR

LOSS and the final amount payable has been determined.

The following Conditions are added:

PROTECTION OF RECORDS - YOU must keep the records in the receptacle(s) scheduled in the declarations when YOU are not using them or when YOU are not open for business. If YOU do not, WE will not pay the LOSS. If YOU must transfer the records to another safe place, to avoid imminent danger of LOSS, WE will cover them while temporarily there or in transit to or from there. YOU must tell US within 10 days after the transfer.

RECOVERIES - YOU must tell US if you collect any receivables that WE paid YOU. Any such collections belong to US. Once WE have been repaid in full, the remainder is YOURS.

ENDORSEMENT NO. 024 BUSINESS CONTINUATION EXPENSES

With respect to the LOCATIONS shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

The INSURING AGREEMENT is changed to read:

INSURING AGREEMENT - WE will pay BUSINESS CONTINUATION EXPENSES when YOU must suspend YOUR business because of LOSS from any cause (except as excluded or as stated otherwise in the declarations) to:

- (a) the BUILDING or CONTENTS at LOCATIONS shown in the declarations as applicable to this endorsement;
- (b) property, other than at the LOCATION, that directly results in civil authorities preventing YOU from entering YOUR BUILDING. Part (b) covers for only two consecutive weeks after LOSS.

The period of suspension insured is from that date of LOSS for as long as it reasonably takes

to restore the damaged or destroyed BUILDING or CONTENTS, and to resume operations with the same quality of service which existed immediately before the LOSS, regardless of the expiration date of this Coverage Pat. In no event, however, will WE pay for more consecutive months than as shown in the declarations as applying to this endorsement.

The DEFINITIONS Condition is changed to add:

"BUSINESS CONTINUATION EXPENSES" means the amount of EARNINGS YOU have selected to be paid to YOU in the event of total suspension of YOUR business. The amount is also shown as the limit per month in the declarations.

"EARNINGS" means net profit plus payroll expenses, taxes, interest, rents, and all other operating expenses earned by YOUR business.

"EXTRA EXPENSE" means the necessary expenses YOU incur to return YOUR operation to as near to normal as possible after a LOSS, such expense being over and above the total cost that would have been incurred to conduct YOUR operation had no LOSS occurred. EXTRA EXPENSE does not mean loss of income or normal cost of repairing or replacing real or personal property, books of accounts, abstracts, drawings, card index systems or other records of any kind. Any salvage value of property obtained for temporary use during the period of restoration will be deducted from the LOSS.

"GROSS INCOME" means the total income from the service and repair of AUTOS and the sale of STOCK.

The EXCLUSIONS-PERILS Condition is changed as follows:

(f) is changed to remove "interruption of business"

These exclusions are added:

(w) due and confined to theft or attempted theft. This exclusion does not apply if there is visible evidence that the thief

forcibly broke into or out of the BUILDING;

(x) suspension, lapse, or cancellation of a lease, license, contract, or order;

(y) interference by strikers, or others, at the LOCATION;

(z) freezing.

The EXCLUSIONS-PROPERTY Condition is changed to add:

(m) BUILDINGS in the process of construction, including materials or supplies for use therewith.

The MOST WE WILL PAY Condition is replaced by:

THE MOST WE WILL PAY - The most WE will pay under this endorsement for BUSINESS CONTINUATION EXPENSES is as determined by the formula shown below, but never more than (1) the limit shown "per month" in the declarations, and (2) the number of consecutive months shown in the declarations. As used in this endorsement, "month" means the number of days from the date of LOSS to the same numbered day in the following month.

FORMULA - WE will:

- (1) determine YOUR GROSS INCOME for the same fiscal month in the year before the LOSS;
- (2) determine YOUR GROSS INCOME for the fiscal month immediately preceding (1) above;
- (3) calculate the percentage of increase or decrease between (1) and (2);
- (4) increase or decrease YOUR GROSS INCOME in the fiscal month before the LOSS by the percentage determined in (3). The results will be YOUR projected GROSS INCOME;

(5) subtract YOUR actual GROSS INCOME during the month the LOSS occurred from YOUR projected GROSS INCOME in (4) above;

(6) divide the amount in (5) above by YOUR projected GROSS INCOME;

(7) multiply the percentage in (6) above by the limit per month shown in the declarations for the LOCATION. The result is the amount WE will pay YOU.

WE will pay YOU for each consecutive month of total or partial suspension in the same manner, each month being calculated separately by the above formula. If YOU were not in business one year prior to LOSS, WE will average YOUR GROSS INCOME for the months YOU were in business. That average replace steps (1) thru (4) in the formula.

The COINSURANCE, DEDUCTIBLE, and DEBRIS REMOVAL Conditions do not apply to this endorsement.

The following is added to the SUPPLEMENTAL LIMITS Condition:

If BUSINESS CONTINUATION EXPENSES are insured:

- (a) up to 10% of the aggregate limit for BUSINESS CONTINUATION EXPENSES at the LOCATION, but not for more than \$10,000, to apply to LOSS caused by theft of CONTENTS or damage to the BUILDING by thieves. Exclusion (w) of EXCLUSIONS - PERILS does not apply to this extension;
- (b) up to 10% of the aggregate limit for BUSINESS CONTINUATION EXPENSES at the LOCATION, but not for more than \$10,000, to apply to EXTRA EXPENSE incurred by YOU;
- (c) up to 10% of the total limits for all BUSINESS CONTINUATION EXPENSES shown in the declarations, but not for more than \$25,000, to apply to any BUILDING YOU purchase, rent, or lease for use in YOUR business. YOU must tell US within 60 days of the pur-

chase, rental, or lease, and pay premiums due from the first day. Failure to do either will nullify this extension.

These extensions apply only for the period of recovery as stated in the declarations for BUSINESS CONTINUATION EXPENSES at the LOCATION. With respect to Extension (c), the period of recovery will be the shortest period applying at any LOCATION used to calculate the total limits.

This condition is added:

REDUCTION OF LOSS - YOU must do all YOU can to reduce LOSS, by:

- (a) restoring the damaged, destroyed, or stolen property as soon as possible;
- (b) resuming operations at the LOCATION(S), whether damaged or not, or at other premises available to YOU, even if the operations are only partial;
- (c) using CONTENTS at other LOCATIONS or elsewhere.

ENDORSEMENT NO. 025
RENTS OR RENTAL VALUE
MONTHLY LIMITATION

With respect to the LOCATIONS shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

The INSURING AGREEMENT is changed to read:

INSURING AGREEMENT - WE will pay for the actual loss of RENTS or RENTAL VALUE directly resulting from necessary untenability of a BUILDING, when caused by LOSS from any cause (except as excluded or as stated otherwise in the declarations) to:

- (a) the BUILDING at the LOCATION shown in the declarations as subject to this endorsement;

- (b) property, other than that at the LOCATION, that directly results in civil authorities preventing YOU from entering YOUR BUILDING. Part (b) covers for only two consecutive weeks after LOSS.

WE will also pay for those necessary reasonable expenses YOU incurred to reduce LOSS (except those to extinguish a fire) but only up to an amount equal to the amount the LOSS was reduced.

The period of coverage is from the date of the LOSS for as long as it reasonably takes to restore the damaged or destroyed BUILDING, regardless of the expiration date of this Coverage Part. In no event, however, will WE pay more than the limit as shown in the declarations.

The following DEFINITIONS are added:

"RENTAL VALUE" means RENTS, plus (1) all charges which are the legal obligation of YOUR tenant(s) for which YOU become liable, and (2) the fair RENT of that portion of the BUILDING occupied by YOU.

"RENTS" means the total gross rental of that portion of the BUILDING damaged or destroyed by LOSS, as furnished and equipped by the owner of the BUILDING, less charges and expenses that do not necessarily continue during the period of untenantability.

The EXCLUSIONS-PERILS Condition is changed to add the following:

- (w) due and confined to theft or attempted theft;
- (x) suspension, lapse, or cancellation of a lease, license, contract, or order;
- (y) interference by strikers, or others, at the LOCATION;
- (z) freezing.

THE MOST WE WILL PAY Condition is replaced by:

THE MOST WE WILL PAY - The most WE will pay for any one LOSS is the least of the following:

- (a) the RENTS or RENTAL VALUE YOU lost for the period of untenantability;
- (b) the percentage per month times the limit (both as shown in the declarations) for any one calendar month of untenantability;
- (c) the limit in the declarations for the period of untenantability.

The COINSURANCE, DEDUCTIBLE, and DEBRIS REMOVAL Conditions do not apply to this endorsement.

ENDORSEMENT NO. 026 WATERCRAFT COVERED

The provisions of this endorsement only apply to WATERCRAFT specifically described in the declarations:

INSURING AGREEMENT - WE will pay for LOSS to the WATERCRAFT from any cause, except as excluded.

DEFINITIONS - When used in this Coverage Part:

"LOSS" means direct and accidental physical loss or damage, including incurred loss of use, in excess of the deductible stated in the declarations, occurring during the Coverage Part period.

"WATERCRAFT" means a boat, its equipment and motor, and when specifically described in the declarations, it means a boat carrier. It includes similar replacement WATERCRAFT if YOU tell US within 30 days of its acquisition. WATERCRAFT does not include any boat designed to be airborne or submerged.

EXCLUSIONS - WE will not pay for LOSS caused by, resulting from, contributed to or aggravated by:

- (a) wear, tear, gradual deterioration (including marine life), rust, corrosion, inherent vice, latent or hidden defect, freezing, overheating, or mechanical, electrical, or structural breakdown;
- (b) due and confined to faulty workmanship or materials in making alterations, repairs, or installations;
- (c) any dishonest, fraudulent, criminal, or intentional act committed by: (1) YOU or any of YOUR partners, executive officers, employees, stockholders, agents, other party in interest; (2) any person or organization YOU entrust the WATERCRAFT to, except a carrier for hire;
- (d) while the WATERCRAFT is: (1) operated in, or in practice or preparation for any pre-arranged or organized race, rally, speed, demolition or competitive contest or in any stunting activity; (2) being used as a public or livery conveyance; (3) rented to others by YOU. This exclusion does not apply if LOSS is caused by fire or lightning;
- (e) WAR;
- (f) radioactive contamination or the explosion of a nuclear weapon or device, or their consequences.

THE MOST WE WILL PAY - The most WE will pay for any one LOSS, is the least of the following:

- (a) the cost to repair the WATERCRAFT with like kind and quality;
- (b) the cost to replace the WATERCRAFT with like kind and quality;
- (c) the amount stated in the declarations as applicable to the property.

COINSURANCE - Payment of LOSS to equipment is limited to the proportion that the insured value bears to the actual cash value at the time of LOSS.

WE WILL ALSO PAY - In addition to the limit stated in the declarations, WE will also pay:

- (a) if YOU are legally liable, up to \$500 for accidental collision with other property while the described WATERCRAFT is afloat;
- (b) with OUR written consent, up to \$500 for any defense or court costs arising out of a contested collision.

HOW WE WILL PAY - At OUR option, WE will pay for, repair, or replace the damaged or destroyed property. WE may pay either YOU or the owner of the property. Before payment of LOSS, WE may take all or any part of the salvage at the agreed or appraised value. There will be no abandonment to US.

YOUR DUTIES AFTER LOSS - YOU must:

- (a) protect the WATERCRAFT whether or not this insurance applies. Any further LOSS due to YOUR failure to do so will not be covered by this insurance. WE will pay all reasonable expenses YOU incur for such protection;
- (b) notify US as soon as possible. If LOSS is caused by theft, also notify the police;
- (c) permit US to inspect the damaged property prior to its repair or replacement, and submit a sworn proof of LOSS within 90 days;
- (d) cooperate and assist US in the investigation, settlement, defense, enforcement of contribution or indemnification of any LOSS. YOU may not, except at YOUR expense, make any offer or payment, assume any obligation or incur any expenses unless otherwise permitted by this endorsement.

NO BENEFIT TO BAILEE - This insurance will not benefit, directly or indirectly, any carrier or bailee.

POLICY TERRITORY - LOSS is covered only while the WATERCRAFT is on land, inland waters, and within 50 nautical miles of the shoreline of the 48 contiguous United States, the District of Columbia, and Canada.

**ENDORSEMENT NO. 027
BLANKET POSITION**

Part (3) of THE MOST WE WILL PAY is replaced by the following:

- (3) under EMPLOYEE DISHONESTY, the limit stated in the declarations as applicable to all LOSS caused by an EMPLOYEE or in which the EMPLOYEE is concerned or implicated.

**ENDORSEMENT NO. 028
PERSONAL ACCOUNTS**

With respect to DEPOSITOR'S FORGERY only, "YOU" is changed to include any individual scheduled in the declarations under "Personal Accounts". The insurance afforded by DEPOSITOR'S FORGERY will apply to instruments handled by that person for his personal account.

The limit shown as applicable to that person is part of and not in addition to the limit for DEPOSITOR'S FORGERY.

**ENDORSEMENT NO. 029
BROAD FORM PRODUCTS EXCLUDED**

The EXCLUSIONS condition of this Coverage Part is changed to add:

- (q) INJURY to any of YOUR PRODUCTS or any of its parts, if caused by a defect existing at the time it was sold or transferred to another;
- (r) labor costs caused by defective PRODUCTS to: (1) YOUR WORK; (2) other WORK performed at the same time if the defective PRODUCTS are on a necessary or customary part of the other WORK.

ENDORSEMENT NO. 030

THIS ENDORSEMENT NO. 030 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

**ENDORSEMENT NO. 031
ADDITIONAL INSURED-FURNISHED AUTO**

The WHO IS AN INSURED condition of this Coverage Part is changed by adding the following to "With respect to the AUTO HAZARD":

- (5) The person or organization named in the declarations as subject to this endorsement, but only with respect to an AUTO furnished by YOU to such person or organization.

**ENDORSEMENT NO. 032
ADDITIONAL INSURED - MUNICIPALITIES**

The WHO IS AN INSURED condition of this Coverage Part is changed by adding the following to "With respect to GARAGE OPERATIONS (other than the AUTO HAZARD), CUSTOMER COMPLAINT DEFENSE or STATUTE AND TITLE E&O":

- (4) The municipality or other subdivision named in the declarations as subject to this endorsement, but only with respect to the ownership, maintenance, or use of that portion of any premises where YOU conduct YOUR AUTO business.

**ENDORSEMENT NO. 033
ADDITIONAL INSURED - PROPERTY**

The WHO IS AN INSURED condition of this Coverage Part is changed by adding the following to "With respect to GARAGE OPERATIONS (other than the AUTO HAZARD), CUSTOMER COMPLAINT DEFENSE or STATUTE AND TITLE E&O":

- (4) The person or organization named in the declarations as subject to this endorsement, but only with respect to tangible property while in YOUR possession under a written lease or rental agreement.

This endorsement does not insure any structural alterations, demolition, or new construction performed by or for such additional INSURED.

**ENDORSEMENT NO. 034
DRIVE OTHER AUTOS**

The WHO IS AN INSURED condition of this Coverage Part is changed by adding the following to "With respect to the AUTO HAZARD":

- (5) The individual (and their FAMILY MEMBERS) named in the declarations as subject to this endorsement, but only with respect to any AUTO not owned by them or any member of their household.

With respect to the insurance afforded by this endorsement:

The definition of AUTO HAZARD is changed to read:

"AUTO HAZARD" means the use of any AUTO (1) not owned by the individual or FAMILY MEMBERS, and (2) not used by any of them while working in the business of selling, servicing, repairing or parking AUTOS.

The following definition is added:

"FAMILY MEMBERS" means any person related to the individual named in the declarations as insured under this endorsement, by marriage, blood or adoption, who is a resident of his or her household. FAMILY MEMBERS includes a ward or foster child.

These Exclusions are added:

- (q) any AUTO while used as a residence or place of business;
- (r) any AUTO furnished or available for the regular use of the individual or FAMILY MEMBERS.

The insurance afforded by this endorsement is excess over any other insurance available to the INSURED.

**ENDORSEMENT NO. 035
MEDICAL PAYMENTS**

The insurance afforded by this Coverage Part is extended to include the following:

INSURING AGREEMENT - WE will pay all reasonable and necessary medical, dental, and funeral expenses (incurred for services rendered within three years after the OCCURRENCE) to or for each person who sustains INJURY to which this endorsement applies, when caused by an OCCURRENCE and arising out of:

- (a) GARAGE OPERATIONS, other than the AUTO HAZARD;
- (b) the AUTO HAZARD, to or for each person in, on, entering into, getting out of or off of an AUTO, if the person driving the AUTO is also an INSURED under the AUTO HAZARD;
- (c) the use of an AUTO by any person named in the declarations as subject to this endorsement.

THE MOST WE WILL PAY - Regardless of the number of INSUREDS or AUTOS insured by this Coverage Part, premium charged, persons who sustain INJURY, or claims made, the most WE will pay to or for any one person in any one OCCURRENCE is the limit shown in the declarations as applicable to this endorsement.

No payment will be made under this endorsement unless the injured person (or their legal representative) agrees in writing that any payment made will be applied toward any settlement or judgment that person receives for the same expenses under any other AUTO liability or Uninsured Motorists Coverage provided by this policy.

HOW WE WILL PAY - At OUR option, WE may pay the injured person or the person or organization rendering the service. Such payment does

not mean WE admit any liability on any INSURED'S part.

EXAMINATIONS - As soon as possible, the injured person (or someone on their behalf) must give US a written proof of claim, under oath and signed if WE require. They will also execute any documents to have medical reports and records released to US, and to submit to physical examinations by physicians chosen by US, as often as WE deem necessary.

**ENDORSEMENT NO. 036
LIMITED MEDICAL PAYMENTS**

The MEDICAL PAYMENTS endorsement is changed to remove part (b) of the INSURING AGREEMENT in that endorsement.

**ENDORSEMENT NO. 037
INDIVIDUAL MEDICAL PAYMENTS**

The MEDICAL PAYMENTS endorsement is changed to remove parts (a) and (b) of the INSURING AGREEMENT in that endorsement.

**ENDORSEMENT NO. 038
AUTO LESSORS LIABILITY**

When AUTO LESSORS LIABILITY is shown in the declarations, the insurance afforded by this Coverage Part is changed as follows, but only with respect to OWNED AUTOS as defined in this endorsement.

These DEFINITIONS are changed to read:

"AUTO" means any land motor vehicle designed for travel on public roads, and includes its permanently attached equipment. It also means a trailer or semi-trailer designed for use with a four wheel private passenger or station wagon type AUTO. It does not include MOBILE EQUIPMENT.

"LEASE" means a written agreement for a term of 180 days or more wherein YOU are the lessor.

"OWNED AUTO" means an AUTO YOU own while under LEASE to others.

This DEFINITION is added:

"LESSEE" means the person or organization named in the LEASE as the lessee.

Exclusion (g) is changed as follows:

Part (2) is changed to read:

"(2) rented to others by YOU".

Parts (3) and (4) do not apply when the excluded class or operation constitutes a minor and incidental part of an INSURED'S business operations;

The WHO IS AN INSURED condition is replaced with:

WHO IS AN INSURED - With respect to this Coverage Part:

(1) YOU;

(2) Under INSURING AGREEMENT A, anyone else required by law to be an INSURED while using an OWNED AUTO within the scope of YOUR permission.

The WHO IS NOT AN INSURED condition is replaced with:

WHO IS NOT AN INSURED - None of the following is an INSURED:

Any INSURED covered by a policy purchased by or on behalf of the LESSEE covering the OWNED AUTO, unless the limits of that policy have been exhausted.

The portion of THE MOST WE WILL PAY condition pertaining to INSURING AGREEMENT A is replaced by:

Under INSURING AGREEMENT A - Regardless of the number of INSURED'S or AUTOS insured by this Coverage Part, premiums charged, persons or organizations who

sustain INJURY or COVERED POLLUTION DAMAGES, claims made or suits brought, the most WE will pay for any one OCCURRENCE is the limit stated in the declarations subject to this endorsement.

The portion of the limit applicable to persons or organizations required by law to be an INSURED is only the amount (or amount in excess of any other insurance available to them) needed to comply with the minimum limits provision of such law in the jurisdiction where the OCCURRENCE takes place.

The OUT OF STATE EXTENSION does not apply to this endorsement.

The OTHER INSURANCE condition in the GENERAL CONDITIONS will apply to this endorsement.

**ENDORSEMENT NO. 039
DAILY RENTAL AUTOS**

When DAILY RENTAL AUTOS is shown in the declarations, the insurance afforded by this Coverage Part is changed as follows, but only with respect to OWNED AUTOS as defined in this endorsement.

The definition of OWNED AUTO is changed to read:

"OWNED AUTO" means an AUTO YOU own while under a RENTAL AGREEMENT.

The following DEFINITIONS are added:

"RENTAL AGREEMENT" means a written agreement for a term of less than 180 days, specifically identifying an OWNED AUTO rented by YOU to a RENTEE in which YOU agree to provide AUTO liability insurance for the RENTEE.

"RENTEE" means the person or organization named in the RENTAL AGREEMENT as the rentee.

The EXCLUSIONS condition is changed as follows:

Part (2) of exclusion (g) is changed to read:

"(2) leased to others;

(h) is changed to read:

(h) under INSURING AGREEMENT A, INJURY or COVERED POLLUTION DAMAGES to property owned by, rented or leased to, being transported by, or in the care, custody, or control of the INSURED. This exclusion does not apply to a residence or private garage or to any AUTO owned by YOU if struck by another AUTO YOU own which is being operated by a RENTEE;

(p) is changed to read:

(p) LOSS to a camper body designed to be mounted upon an AUTO and equipped as sleeping or living quarters. This exclusion does not apply if it is described in the RENTAL AGREEMENT;

These exclusions are added:

(r) LOSS due and confined to: (1) faulty work performed by YOU; (2) defective parts or materials furnished by YOU;

(s) any AUTO while: (1) rented with a driver's services; (2) rented to YOUR salesman for use in YOUR business;

(t) LOSS due to conversion, embezzlement, or secretion by any person in possession of an OWNED AUTO under a RENTAL AGREEMENT.

The WHO IS AN INSURED condition is replaced by:

WHO IS AN INSURED - With respect to this Coverage Part:

(1) YOU;

(2) Under INSURING AGREEMENT A:

(a) a RENTEE;

(b) any other person using an OWNED AUTO within the scope of YOUR permission, unless it is being loaded or unloaded. Only a RENTEE'S employee is an INSURED for loading and unloading;

(c) anyone else, but only as a result of their liability because of what an INSURED does or fails to do.

Part (1) of the WHO IS NOT AN INSURED condition is removed.

Part (a) of the "Under INSURING AGREEMENT C" portion of the WE WILL ALSO PAY is removed.

The HOW WE WILL PAY condition is replaced by:

HOW WE WILL PAY - At OUR option, WE will pay for, repair, or replace the damaged or stolen OWNED AUTO or will require YOU to replace, repair, or sublet repairs to the OWNED AUTO. All repairs or replacements will be at YOUR actual cost exclusive of YOUR profit or overhead expenses.

The following condition is added:

YOU MUST REPORT - Within 15 days after the end of each calendar month, YOU must report the total amount of gross receipts YOU are entitled to for the rental of OWNED AUTOS for that month, whether YOU collected them or not.

**ENDORSEMENT NO. 040
LOWER LIMITS FOR RENTEES**

When DAILY RENTAL AUTOS is shown in the declarations as subject to this endorsement, the "Under INSURING AGREEMENT A" portion of

THE MOST WE WILL PAY condition is changed to read:

Under INSURING AGREEMENT A - Regardless of the number of INSUREDS or AUTOS insured by this Coverage Part, premiums charged, persons or organizations who sustain INJURY or COVERED POLLUTION DAMAGES, claims made or suits brought, the most WE will pay for any one OCCURRENCE is the limit stated in the declarations for DAILY RENTAL AUTOS.

The portion of the limit applicable to INSUREDS other than YOU, is the minimum limits of liability specified in the Financial Responsibility Law of the jurisdiction where the OCCURRENCE takes place.

**ENDORSEMENT NO. 041
ADDITIONAL INSURED - PREMISES**

The WHO IS AN INSURED condition of this Coverage Part is changed by adding the following to "Except with respect to CUSTOMER COMPLAINT DEFENSE":

(6) With respect to PREMISES, the person or organization named in the declarations as subject to this endorsement, but only with respect to tangible property while in YOUR possession under a written lease or rental agreement.

This endorsement does not insure any structural alterations, demolition, or new construction performed by or for such additional INSURED.

ENDORSEMENT NO. 042

THIS ENDORSEMENT NO. 042 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

**ENDORSEMENT NO. 043
ADDITIONAL INSURED**

The WHO IS AN INSURED condition of this Coverage Part is changed as follows:

With respect to (1) any AUTO or watercraft used in YOUR business or (2) personal use of any AUTO owned or hired by YOU:

- (a) any person or organization designated in the declarations for this Coverage Part, and
- (b) any of YOUR partners, paid employees, directors, executive officers, or stockholders, and members of their households.

The actual use of the AUTO must be with YOUR permission and within the scope of such permission.

ENDORSEMENT NO. 044

THIS ENDORSEMENT NO. 044 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

ENDORSEMENT NO. 045

THIS ENDORSEMENT NO. 045 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

ENDORSEMENT NO. 046

THIS ENDORSEMENT NO. 046 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

ENDORSEMENT NO. 047

THIS ENDORSEMENT NO. 047 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

ENDORSEMENT NO. 048

THIS ENDORSEMENT NO. 048 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

**ENDORSEMENT NO. 049
ADDITIONAL INSURED
USE OF OTHER AUTOS**

The WHO IS AN INSURED Condition of this Coverage Part is changed to include any person or organization insured by ENDORSEMENT NO. 034 (DRIVE OTHER AUTOS) or ENDORSEMENT NO. 056 (BROAD FORM DRIVE OTHER AUTOS) in the UNDERLYING INSURANCE, but not for more coverage than is provided to them in such endorsement.

**ENDORSEMENT NO. 050
CONTINGENT LIABILITY EXCLUDED**

EXCLUSION (r) of the EXCLUSIONS-PERILS portion of this Coverage Part is changed to read:

- (r) enforcement of any local or state ordinance or law regulating the construction, repair or demolition of BUILDINGS;

ENDORSEMENT NO. 051

THIS ENDORSEMENT NO. 051 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

**ENDORSEMENT NO. 052
TRANSPORTATION
COLLISION - MOTORCYCLES**

With respect to any motorcycle insured by Coverage Part 300 - AUTO INVENTORY, the definition of "SPECIFIED PERILS" is changed to add:

- (8) LOSS to motorcycles (whether crated or not) caused when the AUTO on which they are being transported (in the ordinary course of YOUR business) is upset or collides with another AUTO or object.

**ENDORSEMENT NO. 053
BUILDING FOUNDATIONS EXCLUDED**

With respect to BUILDINGS shown in the declarations as subject to this endorsement, the EXCLUSIONS-PROPERTY Condition is changed to add:

- (m) foundations, whether above ground or underground; pipes, flues and drains which are underground; and the costs of excavations, grading, backfilling or filling. Part (d) of the definition of BUILDING is deleted.

**ENDORSEMENT NO. 054
CUSTOMER RENTAL
COVERAGE EXCLUDED**

Part (2) of exclusion (j) in Coverage Part 300 is removed in its entirety.

The following is deleted from part (1) (iii) of exclusion (i) in Coverage Part 500:

- "(2) YOUR customers for a term of two months or less when it temporarily replaces the CUSTOMER'S AUTO or when the customer is waiting delivery of an AUTO purchased from YOU."

ENDORSEMENT NO. 055

THIS ENDORSEMENT NO. 055 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

**ENDORSEMENT NO. 056
BROAD FORM DRIVE OTHER AUTOS**

The insurance afforded for OWNED AUTOS under INSURING AGREEMENTS A or C and part (1) of INSURING AGREEMENT B, as stated in the declarations as applicable to this endorsement, is extended to apply to a NON-OWNED AUTO, subject to the following:

The following DEFINITION is added:

"NON-OWNED AUTO" means an AUTO not owned by, LEASED to, or furnished or available for the regular use of an INSURED, and not used by an INSURED while in the business of selling, servicing, repairing or parking AUTOS.

With respect to this endorsement only, the following changes apply:

Exclusion (g) (3) is changed to delete "public livery vehicle" with respect to INJURY and COVERED POLLUTION DAMAGES.

The following EXCLUSIONS are added:

- (r) any AUTO while used as a residence or place of business;
- (s) any AUTO while used in the business or occupation of the INSURED unless being operated by the INSURED or the INSURED is OCCUPYING the AUTO;
- (t) any INSURED while engaged in the business of their employer, with respect to INJURY to a fellow employee injured in the course of his employment.

The WHO IS AN INSURED and WHO IS NOT AN INSURED provisions are changed to read:

WHO IS AN INSURED - With respect to this coverage:

(1) each person shown in the declarations as subject to this endorsement and their spouse and other members of their household;

(2) under INSURING AGREEMENT A only, anyone else but only as a result of their liability because of what an INSURED in (1) above does or fails to do.

WHO IS NOT AN INSURED - None of the following is an INSURED:

(1) the owner or lessor of the AUTO;

(2) the employer of an INSURED;

(3) a partnership in which the INSURED is a partner.

The OTHER INSURANCE provision is changed to read:

OTHER INSURANCE - This insurance is excess over any other valid and collectible insurance available to the INSURED, whether primary, excess or contingent.

**ENDORSEMENT NO. 057
BUSINESS USE EXCLUDED**

With respect to OWNED AUTOS shown in the declarations as subject to this endorsement, the following EXCLUSION is added to Endorsement No. 038 (AUTO LESSORS LIABILITY):

(r) any OWNED AUTO used in the business or occupation of the LESSEE. This exclusion does not apply to:

- (1) a 4 wheel private passenger, station wagon, 1/2 ton pickup, 1/2 ton van or a jeep type OWNED AUTO;
- (2) an OWNED AUTO temporarily in YOUR care, custody or control for service or repair;
- (3) an OWNED AUTO shown in the declarations as an "Exception" under AUTO LESSORS LIABILITY.

**ENDORSEMENT NO. 058
RENTAL AND LEASING AUTOS EXCLUDED**

No insurance is provided by this Coverage Part on any AUTO owned by any AUTO manufacturer (or any of its subsidiaries or affiliated companies) and rented or leased by YOU to others. No insurance is provided by this Coverage Part on any AUTO owned or leased by YOU and used in connection with any such rental or leasing operations.

**ENDORSEMENT NO. 059
RENTOR ONLY COVERAGE**

The WHO IS AN INSURED Condition applicable to Endorsement No. 039 (DAILY RENTAL AUTOS) is changed to read:

WHO IS AN INSURED - With respect to this insurance, only YOU.

ENDORSEMENT NO. 060

THIS ENDORSEMENT NO. 060 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

**ENDORSEMENT NO. 061
BLANKET LIMITS**

With respect to LOSS to the property shown in the declarations as subject to this endorsement, the following is added to THE MOST WE WILL PAY Condition.

- (h) If the limit applies to more than one LOCATION, the most WE will pay for LOSS at any one LOCATION is the proportion that the ACTUAL CASH VALUE at that LOCATION bears to the ACTUAL CASH VALUE of the insured property at all other LOCATIONS included in that limit.

**ENDORSEMENT NO. 062
PHYSICAL DAMAGE IN MEXICO**

Any AUTO physical damage coverage applicable to an OWNED AUTO under Coverage Part 900 (BASIC AUTO) also applies while such AUTO is being used in the Republic of Mexico. However;

- (1) The LOSS will be paid in the United States;
- (2) The most WE will pay is the lesser of the following amounts:
 - (a) the cost of repairing the AUTO or replacing its parts in Mexico, or
 - (b) the cost of repair or replacement at the nearest point in the United States where repair or replacement could be made.

WARNING -- This endorsement does NOT provide liability insurance when the AUTO is in Mexico. To avoid penalties under Mexico's laws, YOU should buy liability insurance on that AUTO from a company licensed in Mexico to sell it.

**ENDORSEMENT NO. 063
STATED AMOUNT**

With respect to any OWNED AUTO shown in the declarations as subject to this endorsement, the fourth paragraph of THE MOST WE WILL PAY provision is changed to read:

Under INSURING AGREEMENT C - The most WE will pay for any one LOSS to an OWNED AUTO is the least of the following:

- (a) the amount necessary to repair the OWNED AUTO or its parts with like kind and quality;
- (b) the amount necessary to replace the OWNED AUTO with like kind and quality;
- (c) the amount stated in the declarations.

**ENDORSEMENT NO. 064
ANTIQUÉ AUTOS**

With respect to the AUTO(S) shown in the declarations as subject to this endorsement, the insurance provided by this Coverage Part applies provided the AUTO is maintained and used solely for exhibitions, club activities, parades or other functions of public interest and is only occasionally used for other purposes.

ENDORSEMENT NO. 065

THIS ENDORSEMENT NO. 065 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

**ENDORSEMENT NO. 066
EMPLOYER'S LIABILITY COVERAGE**

With respect to the insurance afforded by this endorsement only, the following changes are made in this Coverage Part:

The INSURING AGREEMENT is replaced with the following:

INSURING AGREEMENT - WE will pay all sums YOU legally must pay as DAMAGES because of INJURY to YOUR employees caused by an OCCURRENCE arising out of and in the course of the injured employee's employment by YOU.

The DEFINITIONS Condition is changed by redefining the following:

"INJURY" means bodily injury by accident or by disease. Bodily injury includes resulting death.

"OCCURRENCE" means INJURY by accident which occurs during the Coverage Part period. INJURY by disease must be caused or aggravated by the conditions of YOUR employment. The employee's last day of exposure to the conditions causing or aggravating such INJURY by disease must occur during the Coverage Part period.

The EXCLUSIONS Condition is replaced by the following:

EXCLUSIONS - This insurance does not apply to:

- (a) liability assumed under a contract. This exclusion does not apply to a warranty that YOUR WORK will be done in a workmanlike manner;
- (b) punitive or exemplary DAMAGES because of INJURY to an employee employed in violation of the law;
- (c) INJURY to an employee while employed in violation of law with YOUR actual knowledge or the actual knowledge of any of YOUR executive officers;
- (d) any obligation imposed by a Workers Compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
- (e) INJURY intentionally caused or aggravated by YOU;
- (f) INJURY occurring outside the United States of America, its territories or possessions, and Canada. This exclusion does not apply to a citizen or resident of the United States of America or Canada who is temporarily outside these countries;

(g) DAMAGES arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any employee, or any personnel practices, policies, acts or omissions;

(h) INJURY to any person in work subject to the Longshore and Harbor Workers Compensation Act (33 USC Sections 901-950), the Nonappropriated Fund Instrumentalities Act (5 USC Sections 8171-8173), the Outer Continental Shelf Lands Act (43 USC Sections 1331-1356), the Defense Base Act (42 USC Sections 1651-1654), the Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942), and other federal workers or workmen's compensation law or other federal occupational disease law, or any amendments to these laws;

(i) INJURY to any person in work subject to the Federal Employers Liability Act (45 USC Sections 51-60), and other federal laws obligating any employer to pay DAMAGES to an employee due to INJURY arising out of or in the course of employment, or any amendments to those laws;

(j) INJURY to a master or member of the crew of any vessel;

(k) fines or penalties imposed for violation of federal or state law;

(l) DAMAGES payable under the Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872) and under any other federal law awarding DAMAGES for violation of those laws or regulations issued thereunder, and any amendments to those laws.

The WHO IS AN INSURED Condition is changed to read:

WHO IS AN INSURED - With respect to insurance afforded by this endorsement:

(a) YOU;

(b) if YOU are a partnership or joint venture, any partner or member thereof, but only with respect to their liability as such.

THE MOST WE WILL PAY Condition is replaced with the following:

THE MOST WE WILL PAY - Regardless of the number of INSUREDs or premiums charged by this Coverage Part, persons or organizations who sustain INJURY, claims made or SUITS brought, the most WE will pay in the limit shown in the declarations.

The HOW WE WILL PAY Condition is deleted in its entirety.

ENDORSEMENT NO. 067

THIS ENDORSEMENT NO. 067 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

ENDORSEMENT NO. 068 ADDITIONAL EXTRA EXPENSE

With respect to the LOCATIONS shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

The INSURING AGREEMENT is changed to read:

INSURING AGREEMENT - WE will pay EXTRA EXPENSE because of LOSS from any cause (except as excluded or as stated otherwise in the declarations) to:

(a) the BUILDING or CONTENTS at LOCATIONS shown in the declarations as applicable to this endorsement;

(b) property, other than at the LOCATION, that directly results in civil

authorities preventing YOU from entering YOUR BUILDING.

The period insured is from the date of LOSS for as long as it reasonably takes to restore the damaged or destroyed BUILDING or CONTENTS, and to resume operations with the same quality of service which existed immediately before the LOSS regardless of the expiration date of this Coverage Part. Part (b) covers for only two consecutive weeks after LOSS.

The DEFINITIONS Condition is changed to add:

"EXTRA EXPENSE" means the necessary expense YOU incur to return YOUR operation to as near to normal as possible after LOSS, such expense being over and above the total cost that would have been incurred to conduct YOUR operations had no LOSS occurred. EXTRA EXPENSE does not mean loss of income or normal cost of repairing or replacing real or personal property, books of accounts, abstracts, drawings, card index systems, or other records of any kind. Any salvage value of property obtained from temporary use during the period of restoration will be deducted from the LOSS.

The EXCLUSIONS-PERILS Condition is changed as follows:

(f) is changed to remove "interruption of business"

These exclusions are added:

(w) due and confined to theft or attempted theft. This exclusion does not apply if there is visible evidence that the thief forcibly broke into or out of the BUILDING;

(x) suspension, lapse, or cancellation of a lease, license, contract, or order;

(y) interference by strikers, or others, at the LOCATION;

(z) freezing.

The following exclusion is added to EXCLUSION-PROPERTY:

- (m) BUILDINGS in the process of construction, including materials or supplies for use therewith.

The COINSURANCE, DEDUCTIBLE, and DEBRIS REMOVAL Conditions do not apply to this endorsement.

This condition is added:

REDUCTION OF LOSS - YOU must do all YOU can to reduce LOSS, by:

- (a) restoring the damaged, destroyed, or stolen property as soon as possible;
- (b) resuming operations at the LOCATION(S), whether damaged or not, or at other premises available to YOU, even if the operations are only partial;
- (c) using CONTENTS at other LOCATIONS or elsewhere.

The OTHER INSURANCE CONDITION is replaced by:

OTHER INSURANCE - Except with respect to EXTRA EXPENSE afforded under SUPPLEMENTAL LIMITS of Coverage Part 330, (PROPERTY) this insurance is excess over all other similar insurance.

ENDORSEMENT NO. 069

THIS ENDORSEMENT NO. 069 CURRENTLY NOT APPLICABLE. NUMBER RESERVED FOR FUTURE USE WITH APPROVED ENDORSEMENT.

ENDORSEMENT NO. 070 ADDED VALUE - EQUIPMENT

With respect to LOSS to the EQUIPMENT shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

The definition of EQUIPMENT is changed to read:

"EQUIPMENT" means furniture, fixtures, machinery, equipment, fences, light posts, signs, materials and supplies owned by YOU and used in YOUR business. EQUIPMENT does not include property as defined in AUTOS, BUILDING, EMPLOYEE TOOLS, or STOCK.

THE MOST WE WILL PAY provision is changed to read:

THE MOST WE WILL PAY - LOSS payment will not reduce the amount of insurance under this Coverage Part. The most WE will pay for any one LOSS, to the property at the LOCATIONS, is the least of the following:

- (a) the ACTUAL CASH VALUE of repairs to the property with like kind and quality plus as much of the "Added Value" as is needed to eliminate the actual depreciation;
- (b) the ACTUAL CASH VALUE of replacement for the property with like kind and quality, plus as much of the "Added Value" as is needed to eliminate the actual depreciation;
- (c) the percentage the last report (received by US prior to LOSS) bears to the ACTUAL CASH VALUE of such property that should have been reported. Such percentage will also apply to the "Added Value";
- (d) the limit stated in the declarations plus the "Added Value" stated in the declarations for the LOCATION. If WE have not received YOUR first report, the most WE will pay is 75% of the limit and "Added Value" stated in the declarations.

Regardless of the value reported by YOU, LOSS cannot exceed the limits stated in the declarations for the LOCATION.

"Added Value" is the amount stated in the declarations for the LOCATION subject to this endorsement. Such value is a percentage of the EQUIPMENT values exposure at the LOCATION on the effective date of this policy. Based upon the EQUIPMENT values YOU report, WE will adjust such limit at each renewal.

**ENDORSEMENT NO. 071
SPECIFIED PERILS EXCLUDED
ON FLOOR PLAN AUTOS**

The coverage afforded for SPECIFIED PERILS does not apply to AUTOS owned or acquired by YOU and insured by YOUR floor plan or finance source.

**ENDORSEMENT NO. 072
UNNAMED PERILS EXCLUDED
ON FLOOR PLAN AUTOS**

The coverage afforded for UNNAMED PERILS does not apply to AUTOS owned or acquired by YOU and insured by YOUR floor plan or finance source.

**ENDORSEMENT NO. 073
COLLISION EXCLUDED ON
FLOOR PLAN AUTOS**

The coverage afforded for COLLISION does not apply to AUTOS owned or acquired by YOU and insured by YOUR floor plan or finance source.

**ENDORSEMENT NO. 074
EXTENDED THEFT EXCLUDED ON
FLOOR PLAN AUTOS**

The coverage afforded for EXTENDED THEFT does not apply to AUTOS owned or acquired by YOU and insured by YOUR floor plan or finance source.

**ENDORSEMENT NO. 075
DEMONSTRATOR -
COMPANY AUTO REDEFINED**

The definition of "DEMONSTRATOR - COMPANY AUTO" is changed to read:

"DEMONSTRATOR - COMPANY AUTO" means a COVERED AUTO shown on YOUR records as a demonstrator and used in YOUR sales operation.

**ENDORSEMENT NO. 076
FLOOR PLAN EXCESS INSURANCE**

If a COVERED AUTO is insured by YOUR floor plan or finance source, and such other insurance is limited to the amount of the encumbrance, WE will pay the difference between such other insurance and the amount of the LOSS.

This insurance applies only when the cause of the LOSS is insured by this Coverage Part.

This insurance is excess over any other insurance and applies only after such other insurance has been paid.

**ENDORSEMENT NO. 077
VALUE PROTECTION**

With respect to LOSS to the BUILDING shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

GUARANTEED REPLACEMENT COST

The Coinsurance and Debris Removal conditions are removed in their entirety. The GUARANTEED REPLACEMENT COST Condition of this endorsement does not apply to the SUPPLEMENTAL LIMITS Condition.

THE MOST WE WILL PAY Condition is amended to delete (g) and replace (a) and (b) with the following:

- (a) the actual cost of repairs to the property, with like kind and quality;
- (b) the replacement cost of the property with like kind and quality, regardless of the limit shown in the declarations, subject to the following:
 - (1) YOU have insured the BUILDING to 100% of its replacement cost as determined by OUR BUILDING appraisal;
 - (2) YOU have accepted each annual adjustment in the BUILDING amount;
 - (3) YOU have notified US within 90 days of any physical changes YOU have made in the BUILDING which exceed 10% of the limit, and paid any additional premium due. If YOU fail to notify US as required, WE will pay no more than 110% of the limit shown in the declarations;
 - (4) If YOU replace the BUILDING at a different premises, WE will pay no more than it would have cost YOU to replace it at the original premises;

YOU may elect LOSS payment at replacement cost less depreciation. YOU have 180 days after the LOSS to tell US, in writing, how YOU elect LOSS payment.

The GUARANTEED REPLACEMENT COST portion of this endorsement will not apply until YOU have actually repaired or replaced the BUILDING for the same occupancy and use. YOU must repair or replace the BUILDING within a reasonable time after LOSS.

DEBRIS REMOVAL, DEMOLITION COST & INCREASED COST OF CONSTRUCTION

The following is added to the SUPPLEMENTAL LIMITS Condition:

If a BUILDING is insured under this endorsement, up to a total of 25% of the limit for that BUILDING for any one LOSS, to apply in any combination of the following:

- (a) Debris Removal - WE will pay the cost to remove debris subject to the following:
 - (1) the LOSS is caused by an insured peril;
 - (2) the expenses will be paid only if reported to US within 180 days of the earlier of (i) the date of LOSS or (ii) the end of the Coverage Part period;
 - (3) WE will not pay for the expense to clean up, remove, contain, treat, detoxify or neutralize POLLUTANTS or to replace polluted land or water;
- (b) Demolition Cost - WE will pay the cost to demolish any undamaged portion of the BUILDING, including clearing the site subject to the following:
 - (1) the LOSS is caused by an insured peril;
 - (2) the cost is the result of the enforcement of any local or state ordinance or law regulating the demolition of BUILDINGS at the described premises which are in effect at the time of LOSS;
- (c) Increased Cost Of Construction - WE will pay for any increased cost of repair, construction or re-construction of the BUILDING subject to the following:
 - (1) the LOSS is caused by an insured peril;
 - (2) the cost is the result of the enforcement of any local or state ordinance or law regulating the construction or repair of damaged BUILDINGS at the described premises which are in effect at the time of the LOSS;
 - (3) the BUILDING must be repaired or replaced for the same occupancy and use. YOU must repair or replace the BUILDING within a reasonable time after LOSS.

EXCLUSIONS - PERILS (r) does not apply to the SUPPLEMENTAL LIMITS portion of this endorsement.

**ENDORSEMENT NO. 078
REPLACEMENT COST EQUIPMENT**

With respect to LOSS to the EQUIPMENT shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

Part (a) of the definition of ACTUAL CASH VALUE is changed to read:

- (a) EQUIPMENT (except DATA, IMPROVEMENTS AND BETTERMENTS, MEDIA and Property of Others), its replacement cost;

The COINSURANCE Condition is deleted in its entirety.

Part (g) of THE MOST WE WILL PAY is replaced by:

- (g) 110% of the limit shown in the declarations for the LOCATION. This endorsement will not apply until YOU have actually repaired or replaced the EQUIPMENT. YOU must repair or replace the EQUIPMENT within a reasonable time after LOSS.

**ENDORSEMENT NO. 079
EARTHQUAKE**

Unless "NO COVER" is shown in the declarations for the earthquake peril, the insurance afforded for such property is extended to include LOSS caused by earthquake, volcanic eruption, explosion or effusion. This Coverage Part is changed as follows:

The following is added to the definition of LOSS:

All earthquake shocks or volcanic eruptions that occur within any 168 hour period will constitute a single earthquake or volcanic eruption. The expiration of this Coverage Part will not reduce the 168 hour period.

Exclusion (I) of EXCLUSIONS - PERILS is amended to read:

- (I) except with respect to property in transit or glass; landslide, mine subsidence, tidal wave, flood, mudslide or mudflow even if attributable to an earthquake or volcanic eruption. If fire or explosion follows, WE will pay only for LOSS by fire or explosion. Any earthquake or volcanic eruption that begins before the inception of this insurance;

The DEDUCTIBLES Condition is replaced by:

DEDUCTIBLES - After the amount of LOSS has been determined under THE MOST WE WILL PAY and the COINSURANCE Condition applied, WE will subtract the applicable deductible shown in the declarations, subject to the following:

- (1) this deductible will be applied separately to each BUILDING, LOCATION and item of coverage involved in the LOSS;
- (2) WE will divide the deductible by the limit and apply that percentage against the "value" of each BUILDING, LOCATION or item of coverage involved in the LOSS. "Value" is determined on the basis described under ACTUAL CASH VALUE, unless amended by endorsement.

**ENDORSEMENT NO. 080
BUSINESS INCOME CONTINUATION**

With respect to the LOCATIONS shown in the declarations as subject to this endorsement, the following changes are made in this Coverage Part:

The INSURING AGREEMENT is changed to read:

INSURING AGREEMENT - WE will pay BUSINESS INCOME CONTINUATION when YOU must suspend YOUR business because of LOSS from any cause (except as excluded or as stated otherwise in the declarations) to:

- (a) the BUILDING or CONTENTS at LOCATIONS shown in the declarations as applicable to this endorsement;
- (b) property, other than that at the LOCATION, that directly results in civil authorities prevent-

ing YOU from entering YOUR BUILDING. Part (b) covers for only two consecutive weeks after LOSS.

The period of suspension insured is from the date of LOSS for as long as it reasonably takes to restore the damaged or destroyed BUILDING or CONTENTS, and to resume operations with the same quality of service which existed immediately before the LOSS, regardless of the expiration date of this Coverage Part. In no event, however, will WE pay for more consecutive months than as shown in the declarations as applying to this endorsement.

The DEFINITIONS Condition is changed to add:

"BUSINESS INCOME CONTINUATION" means the amount of GROSS PROFIT YOU have selected to be paid to YOU in the event of the total suspension of YOUR business. The amount is also shown as the limit per month in the declarations.

"EXTRA EXPENSE" means the necessary expenses YOU incur to return YOUR operation to as near to normal as possible after a LOSS, such expense being over and above the total cost that would have been incurred to conduct YOUR operation had no LOSS occurred. EXTRA EXPENSE does not mean loss of income or normal cost of repairing or replacing real or personal property, books of accounts, abstracts, drawings, card index systems or other records of any kind. Any salvage value of property obtained for temporary use during the period of restoration will be deducted from the LOSS.

"GROSS PROFIT" means the total income from the service and repair of AUTOS and the sale of STOCK less the cost of STOCK (not including labor) sold.

The EXCLUSIONS-PERILS condition is changed as follows:

(f) is changed to remove "interruption of business"

These exclusions are added:

(w) due and confined to theft or attempted theft.
This exclusion does not apply if there is visi-

ble evidence that the thief forcibly broke into or out of the BUILDING;

- (x) suspension, lapse, or cancellation of a lease, license, contract, or order;
- (y) interference by strikers, or others, at the LOCATION;
- (z) freezing.

The following exclusion is added to EXCLUSIONS-PROPERTY:

- (m) BUILDINGS in the process of construction, including materials or supplies for use therewith.

The MOST WE WILL PAY Condition is replaced by:

THE MOST WE WILL PAY - The most WE will pay under this endorsement for BUSINESS INCOME CONTINUATION is determined as follows:

- (1) if YOU must totally suspend YOUR business at any LOCATION shown in the declarations as applicable to this coverage for 5 consecutive days or less, WE will pay YOU 1/30 of the monthly amount shown in the declarations for each day of total suspension;
- (2) if YOU must totally suspend YOUR business at the LOCATIONS shown in the declarations as applicable to this coverage for more than 5 consecutive days or must partially suspend YOUR business, WE will pay YOU the larger of the following amounts for each day during the period of suspension:
 - (a) 1/30 of the monthly limit shown in the declarations, less the average daily GROSS PROFIT YOU actually earn following the LOSS;
 - (b) the average daily GROSS PROFIT for the four calendar months immediately preceding the month of the LOSS, less the average daily GROSS PROFIT YOU actually earn following the LOSS.

This Condition is added:

EXTENDED RECOVERY PERIOD - If YOU must suspend the insured operations for 30 days or more and YOU resume operations within a reasonable time, WE will extend the recovery period up to 30 days from the date YOU resume operations. This **EXTENDED RECOVERY PERIOD** ends the earlier of 30 days from the date YOU resume operations or the end of the total consecutive months (shown in the declarations) from the date of **LOSS**.

The **COINSURANCE**, **DEDUCTIBLE**, and **DEBRIS REMOVAL** Conditions do not apply to this endorsement.

The following is added to the **SUPPLEMENTAL LIMITS** Condition:

If **BUSINESS INCOME CONTINUATION** is insured:

- (a) up to 10% of the aggregate limits for **BUSINESS INCOME CONTINUATION** at the **LOCATION**, but not for more than \$10,000, to apply to **LOSS** caused by theft of **CONTENTS** or damage to the **BUILDING** by thieves. Exclusion (w) of **EXCLUSIONS - PERILS** does not apply to this extension;
- (b) up to 10% of the total aggregate limits for all **BUSINESS INCOME CONTINUATION** shown in the declarations, to apply to **EXTRA EXPENSE** incurred by YOU at the **LOCATION** or any building YOU own, rent or lease for use in YOUR business, but not for more than \$25,000, regardless of the number of **LOCATIONS** or **BUILDINGS** involved in a **LOSS**.

Extensions (a) and (b) apply only for the period of recovery as stated in the declarations for **BUSINESS INCOME CONTINUATION** at the **LOCATION**;

- (c) up to 10% of the total aggregate limits for all **BUSINESS INCOME CONTINUATION** shown in the declarations, but not for more than \$25,000, to apply to any **BUILDING** YOU acquire, rent, or lease for use in YOUR business. This is the most WE will pay under this extension for each month of suspension.

The number of consecutive months insured under this extension will be the shortest period applying at any **LOCATION** insured for **BUSINESS INCOME CONTINUATION**.

Part (c) of this extension ends the earlier of (1) 90 days from the first day of acquisition, rental or lease, or (2) the date YOU report the **BUILDING** to US. WE will charge YOU premium from the first day of acquisition, rental or lease.

This condition is added:

REDUCTION OF LOSS - YOU must do all YOU can to reduce **LOSS**, by:

- (a) restoring the damaged, destroyed, or stolen property as soon as possible;
- (b) resuming operations at the **LOCATION(S)**, whether damaged or not, or at other premises available to YOU, even if the operations are only partial;
- (c) using **CONTENTS** at other **LOCATIONS** or elsewhere.

ENDORSEMENT NO. 081 WRAPAROUND SPECIFIED PERILS

The coverage afforded for **SPECIFIED PERILS** does not apply to **AUTOS** owned or acquired by YOU and insured by YOUR floor plan or finance source. This exclusion does not apply:

- (1) to the value of improvements YOU make to the **COVERED AUTO** (after it is acquired by YOU) which increases its value and exceeds the amount due from such other insurance;
- (2) to a **LOSS** excluded by the floor plan or finance source but which is covered under this insurance.

ENDORSEMENT NO. 082 WRAPAROUND UNNAMED PERILS

The coverage afforded for **UNNAMED PERILS** does not apply to **AUTOS** owned or acquired by YOU and insured by YOUR floor plan or finance source. This exclusion does not apply:

- (1) to the value of improvements YOU make to the COVERED AUTO (after it is acquired by YOU) which increases its value and exceeds the amount due from such other insurance;
- (2) to a LOSS excluded by the floor plan or finance source but which is covered under this insurance.

**ENDORSEMENT NO. 083
WRAPAROUND COLLISION**

The coverage afforded for COLLISION does not apply to AUTOS owned or acquired by YOU and insured by YOUR floor plan or finance source. This exclusion does not apply:

- (1) to the value of improvements YOU make to the COVERED AUTO (after it is acquired by YOU) which increases its value and exceeds the amount due from such other insurance;
- (2) to a LOSS excluded by the floor plan or finance source but which is covered under this insurance.

**ENDORSEMENT NO. 084
WRAPAROUND EXTENDED THEFT**

The coverage afforded for EXTENDED THEFT does not apply to AUTOS owned or acquired by YOU and insured by YOUR floor plan or finance source. This exclusion does not apply:

- (1) to the value of improvements YOU make to the COVERED AUTO (after it is acquired by YOU) which increases its value and exceeds the amount due from such other insurance;
- (2) to a LOSS excluded by the floor plan or finance source but which is covered under this insurance;
- (3) to the amount of LOSS that exceeds the limit of the floor plan or finance source.

**ENDORSEMENT NO. 085
BREAKDOWN EXCLUDED**

With respect to the property shown in the declarations as subject to this endorsement, the following change is made:

EXCLUSIONS - PERILS (q) is replaced by:

- (q) explosion, rupture, or bursting of any of the following if they are owned by or leased to YOU or operated under YOUR control:
 - (1) pressure relief devices, boilers or other equipment for heating water;
 - (2) rotating or moving parts of machinery by centrifugal force or mechanical breakdown;
 - (3) steam boilers, steam pipes, steam turbines, or steam engines.

WE will pay for LOSS by any fire or explosion that follows:

Part (3) does not apply to the explosion of accumulated gas or unconsumed fuel in the firebox or combustion chamber of a fixed vessel, or in the flues or passages leading from it;

**ENDORSEMENT NO. 086
INCREASED LIMITS
FOR WELFARE AND PENSION PLANS**

With respect to the Welfare and Pension Benefit Plan shown in the declarations as an INSURED, the limit for EMPLOYEE DISHONESTY is increased to the amount shown in the declarations as "WELFARE AND PENSION PLAN LIMIT".

**ENDORSEMENT NO. 087
DIMINISHED VALUE**

In addition to the amount due YOU for LOSS caused by COLLISION, malicious mischief or vandalism, theft or larceny, GOVERNMENT CONFISCATION and EXTENDED THEFT, WE will pay YOU for diminished value, subject to the following:

- (a) this coverage applies only to NEW PRIVATE PASSENGER, NEW TRUCK, and DEMONSTRATOR-COMPANY AUTO owned by YOU.

The definition of COVERED AUTO is changed to delete "(2) not owned by YOU but in YOUR care, custody or control". The definitions of NEW PRIVATE PASSENGER and NEW TRUCK are changed to delete "or consigned to";

(b) Payment under this endorsement will be calculated as follows:

- (1) From the amount of the gross LOSS, WE will apply the repair percentages shown in the declarations for "YOUR AUTOS";
- (2) WE will then apply the appropriate deductible shown in the declarations;
- (3) If, after (1) and (2), there is an amount due YOU, WE will multiply the gross LOSS by 10%. This will be the amount due YOU under this endorsement.

The insurance afforded by this endorsement does not apply:

- (1) when WE replace or require YOU to replace a COVERED AUTO;
- (2) to those AUTOS insured for COLLISION, malicious mischief or vandalism, theft or larceny, GOVERNMENT CONFISCATION or EXTENDED THEFT by YOUR floor plan or finance source.

Exclusion (o) does not apply to this endorsement.

**ENDORSEMENT NO. 088
ADDITIONAL INSURED - FURNISHED AUTO
HOUSEHOLD MEMBERS**

The WHO IS AN INSURED condition of this Coverage Part is changed by adding the following to "With respect to the AUTO HAZARD":

- (5) The person (including members of their household) or organization named in the declarations as subject to this endorsement, but only with respect to an AUTO furnished by YOU to such person or organization.

**ENDORSEMENT NO. 089
UMBRELLA LIMITS INCLUSIVE**

THE MOST WE WILL PAY condition is amended to read:

THE MOST WE WILL PAY - Regardless of the number of INSUREDs, AUTOS, MOBILE EQUIPMENT, or watercraft insured or premiums charged by this Coverage Part, persons or organizations who sustain INJURY or COVERED POLLUTION DAMAGES, claims made or SUITS brought, the most WE will pay is the least of the following:

- (a) when there is no coverage for a LOSS available to the INSURED in the UNDERLYING INSURANCE or any other insurance, WE will pay the difference between OUR limit and the retention which are both shown in the declarations;
- (b) when coverage for a LOSS is available to the INSURED in the UNDERLYING INSURANCE only, WE will pay the difference between OUR limit and the limits of such UNDERLYING INSURANCE which are both shown in the declarations;
- (c) when there is no coverage for a LOSS available to the INSURED in the UNDERLYING INSURANCE but there is coverage available under another insurance policy (which was not purchased as excess of this policy), WE will pay the difference between OUR limit shown in the declarations and the limits of such other insurance;
- (d) when there is coverage for a LOSS available in both the UNDERLYING INSURANCE and any other insurance (which was not purchased as excess of this policy) WE will pay the difference between the UNDERLYING INSURANCE and OUR limit (both as shown in the declarations) but only after the UNDERLYING INSURANCE and such other insurance have been exhausted;

- (e) with respect to liability of others assumed under a contract or agreement, the amount required by such contract or agreement or OUR limit, whichever is less.

**ENDORSEMENT NO. 090
STANDARD FORM MCS-90**

**ENDORSEMENT FOR MOTOR CARRIER
POLICIES OF INSURANCE FOR PUBLIC
LIABILITY UNDER SECTIONS 29 AND 30
OF THE MOTOR CARRIER ACT OF 1980**

**ENDORSEMENT NO. 091
UNDERINSURED MOTORISTS**

With respect to the insurance afforded by this endorsement, the following changes are made in this Coverage Part:

The definition of UNINSURED MOTOR VEHICLE is changed to add:

- (4) which, at the time of the ACCIDENT, was insured or bonded with at least the amounts required by the applicable law where a COVERED AUTO is principally garaged, but their limits are less than the limits of this insurance.

The MOST WE WILL PAY Condition is changed to add:

WE will pay under this endorsement only after the limits of any other applicable insurance policies or bonds have been exhausted by payment of judgments or settlements.

**ENDORSEMENT NO. 092
DESIGNATED INDIVIDUALS**

With respect to the insurance afforded by this endorsement, the following change is made in this Coverage Part:

The WHO IS AN INSURED condition is replaced with the following:

WHO IS AN INSURED - With respect to this Coverage Part, the individual (and any FAMI-

LY MEMBER) designated on the declarations as subject to this endorsement and any passengers in a COVERED AUTO driven by the designated individual.

**ENDORSEMENT NO. 093
OWNED AUTOS EXCLUDED**

No insurance is afforded under this Coverage Part with respect to any AUTO owned by or LEASED to YOU, nor to any TEMPORARY SUBSTITUTE AUTO.

"LEASED" means a written agreement for a term of 180 days or more wherein YOU are named as the lessee.

"TEMPORARY SUBSTITUTE AUTO" means an AUTO not owned by or LEASED to YOU, YOUR partners, officers, employees or a member of YOUR or their household, when it is used temporarily with the owner's permission to replace an owned or LEASED AUTO which is out of service due to its repair, servicing, loss or destruction.

**ENDORSEMENT NO. 094
ALL OWNED AUTOS INSURED**

The definition of OWNED AUTO is replaced by:

"OWNED AUTO" means any AUTO YOU own or LEASE during the Coverage Part period. It also means a trailer attached to such AUTO.

**ENDORSEMENT NO. 095
PREMISES MEDICAL PAYMENTS**

The insurance afforded by this Coverage Part is extended to include the following:

INSURING AGREEMENT - WE will pay all reasonable and necessary medical, dental, and funeral expenses (incurred for services rendered within three years after the OCCURRENCE) to or for each person who sustains INJURY to which this endorsement applies, when caused by an OCCURRENCE and arising out of the PREMISES hazard.

THE MOST WE WILL PAY - Regardless of the number of INSUREDs, premiums charged, persons who sustain INJURY, or claims made, the most WE will pay to or for any one person in any one OCCURRENCE is the limit shown in the declarations as applicable to this endorsement.

No payment will be made under this endorsement unless the injured person (or their legal representative) agrees in writing that any payment made will be applied toward any settlement or judgment that person receives for the same expenses under any other AUTO liability or Uninsured Motorists Coverage provided by this policy.

HOW WE WILL PAY - At OUR option, WE may pay the injured person or the person or organization rendering the service. Such payment does not mean WE admit any liability on any INSURED'S part.

EXAMINATIONS - As soon as possible, the injured person (or someone on their behalf) must give US a written proof of claim, under oath and signed if WE require. They will also execute any documents to have medical reports and records released to US, and to submit to physical examinations by physicians chosen by US, as often as WE deem necessary.

ENDORSEMENT NO. 096 HIRED AND NONOWNED AUTOS

The following is added to the definition of OWNED AUTOS:

OWNED AUTO also means an AUTO not owned by YOU, YOUR partner, executive officer, agent or employee when used in YOUR business.

Part (1) of WHO IS NOT AN INSURED is changed to read:

- (1) the owner, lessor or rentor of an AUTO not owned by YOU. This does not apply if they are named in the declarations as applicable to this Coverage Part;

ENDORSEMENT NO. 097 AUTO SERVICE FACILITY

The Definition of AUTO HAZARD is changed to read:

"AUTO HAZARD" means the maintenance or use of a CUSTOMER'S AUTO.

Exclusion (i) is replaced by:

- (i) INJURY or COVERED POLLUTION DAMAGES arising out of the ownership, use, loading or unloading of any:

(1) AUTO:

- (i) owned by, leased or rented to any INSURED;
- (ii) operated in, or in practice or preparation for any prearranged or organized race, rally, speed, demolition or competitive contest or stunting activity;
- (iii) leased or rented by YOU to others;
- (iv) being used as a HAULAWAY, taxi cab, bus, public livery vehicle, emergency ambulance, long haul public freight carrier or for carrying property for a charge;
- (v) being used to transport explosives, gasoline, liquefied petroleum gas or other volatile petroleum products;

(2) Watercraft:

- (i) over 35 feet in length;
- (ii) when used for nonbusiness purposes by any INSURED, regardless of length;
- (iii) when rented or leased to others;
- (iv) while afloat over 50 nautical miles from the costal shoreline of the 48 contiguous United States, the District of Columbia, or Canada;
- (v) operated in, or in practice or preparation for any prearranged or organized race, rally, speed, or competitive contest or stunting activity;